



# Bridging Opportunities



# Bridging Opportunities

Across Asia Pacific

Guided by **Our Values**

Act with integrity | Care for all | Win together

# Welcome to A New Era of Sime

Sime Darby Berhad (Sime) has entered a new chapter of growth, marked by a sharper focus on our core businesses and a renewed ambition to drive progress across the Asia Pacific region. This year's annual report theme, Bridging Opportunities, reflects our strengthened identity and steadfast commitment to being the partner of choice in the automotive and industrial equipment sectors.

We serve as a vital bridge—connecting world-class brands with local markets and enabling growth through deep expertise, cutting-edge technology and enduring partnerships. Across the dynamic Asia Pacific landscape, Sime links ambition with action, innovation with progress, and challenges with solutions.

By forging meaningful connections—from meeting evolving customer expectations to uplifting communities and advancing sustainability—we transform potential into performance. This approach lays the foundation for long-term relevance in an ever-changing world.

At Sime, we don't just seize opportunities—we bridge them.

# ABOUT OUR REPORT

Sime Darby Berhad's ("Sime", "the Group" or "the Company") Annual Report for FY2025 presents our financial and non-financial performance, key developments, challenges, opportunities and the strategic actions undertaken during the year ended 30 June 2025. Through this report, we aim to provide our stakeholders with a comprehensive, integrated view of how we create sustainable value over the short, medium and long term, in line with our purpose of bringing the best products and solutions to enable Asia Pacific to move and develop.

## REPORTING SCOPE AND BOUNDARIES

This report covers the period from 1 July 2024 to 30 June 2025, with relevant updates up to 26 September 2025. Unless stated otherwise, financial and non-financial data from our subsidiaries have been fully consolidated.

Our reporting boundaries are defined as follows:

- Internal impact: Impacts from all operations and entities managed by Sime.
- External impact: Impacts arising in situations where we do not own the assets, do not directly engage or employ workers, or operate the assets under a contractual obligation.

For the purposes of this report, "net profit" refers to "net profit attributable to owners of the Company".

 More information is available at: <https://www.sime.com/>

## REPORTING FRAMEWORKS AND STANDARDS

This report has been prepared in accordance with:

- International Integrated Reporting Framework (January 2021 version) ("<IR> Framework"), originally developed by the International Integrated Reporting Council and now maintained by the IFRS Foundation
- Malaysian Code on Corporate Governance ("MCCG") 2021
- Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements ("MMLR")
- Malaysian Financial Reporting Standards ("MFRS")
- International Financial Reporting Standards ("IFRS")

Throughout this report, we are also guided by the Global Reporting Initiative ("GRI") Standards and the United Nations Sustainable Development Goals ("UN SDGs").

In line with regulatory requirements, we are preparing to adopt IFRS Sustainability Disclosure Standards S2 in FY2026, with the goal of achieving full compliance with IFRS S1 and S2 by FY2028.

## MATERIALITY

We focus our reporting on matters most relevant to our stakeholders and our ability to create sustainable value. These material matters are identified, prioritised and validated through a structured materiality assessment conducted every two years, taking into account our strategy, stakeholder expectations and the evolving operating environment. For more on our approach to sustainability, refer to "Material Matters" on page 34.

## INDEPENDENT ASSURANCE

Our financial statements have been independently audited and comply with the requirements of the MFRS.

## FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements relating to our plans, objectives, strategies, future operations and organisational performance. These statements are based on current assumptions and are subject to inherent uncertainties; they should not be regarded as guarantees of future results. Actual outcomes and developments may differ materially from those expressed, and we undertake no obligation to update these statements.

## FEEDBACK AND ENGAGEMENT

We value our stakeholders' input and welcome suggestions to improve our reporting content and approach. Please contact our Investor Relations team with any comments or feedback.

 Phone: (603) 7623 2000

 Email: [investor.relations@sime.com](mailto:investor.relations@sime.com)



## NAVIGATION ICONS

### ► Our Capitals



Financial



Manufactured



Intellectual



Human



Social & Relationship



Natural

### ► Stakeholders



Employees



Customers



Media



Suppliers/  
Partners



Investors



Government & Regulators



Community

### ► Key Risks



Market Dynamics



Business Partners



Disruption



Mergers and Acquisitions



Product and Service Delivery



Health, Safety and Environment (HSE)



Cybersecurity



ESG - Climate Change



People and Culture



Regulatory Compliance

### ► Strategy Pillars



Operational Excellence



Growing the Core



Future Ready

### ► Material Matters

#### Theme 1: Optimising Our Environmental and Social Footprint



Health and Safety



Energy and Emissions Management



Labour Practices



Climate Change



Waste and Effluent Management



Diversity



Water Management

#### Theme 2: Inspiring Our Employees to Deliver Meaningful Change



Employee Training and Development



Community Contributions and Development

#### Theme 3: Engaging in Sustainable Partnerships



Business Continuity



Customer Satisfaction



Business Ethics and Compliance



Responsible Supply Chain

#### Theme 4: Driving Sustainable Innovation and Technology



Data Privacy and Security



Sustainable Product Offering



Scan the QR code above or visit our corporate website for additional information about Sime.



More information is available at:  
<https://www.sime.com/>

## PRIORITISED SDGS



**THE GLOBAL GOALS**  
For Sustainable Development



► United Nations Sustainable Development Goals (UN SDGs) adopted by Sime.

# INSIDE THIS REPORT



Scan this QR code for a direct link to our Annual Report online  
[www.sime.com](http://www.sime.com)



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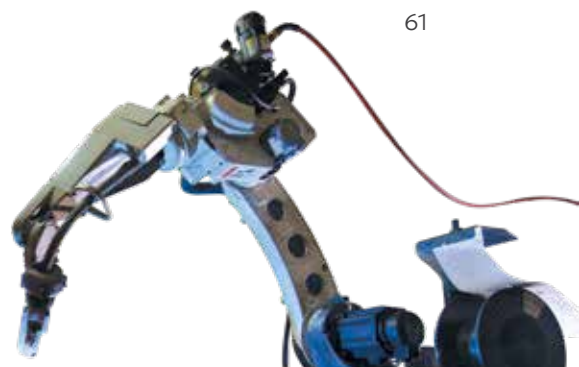
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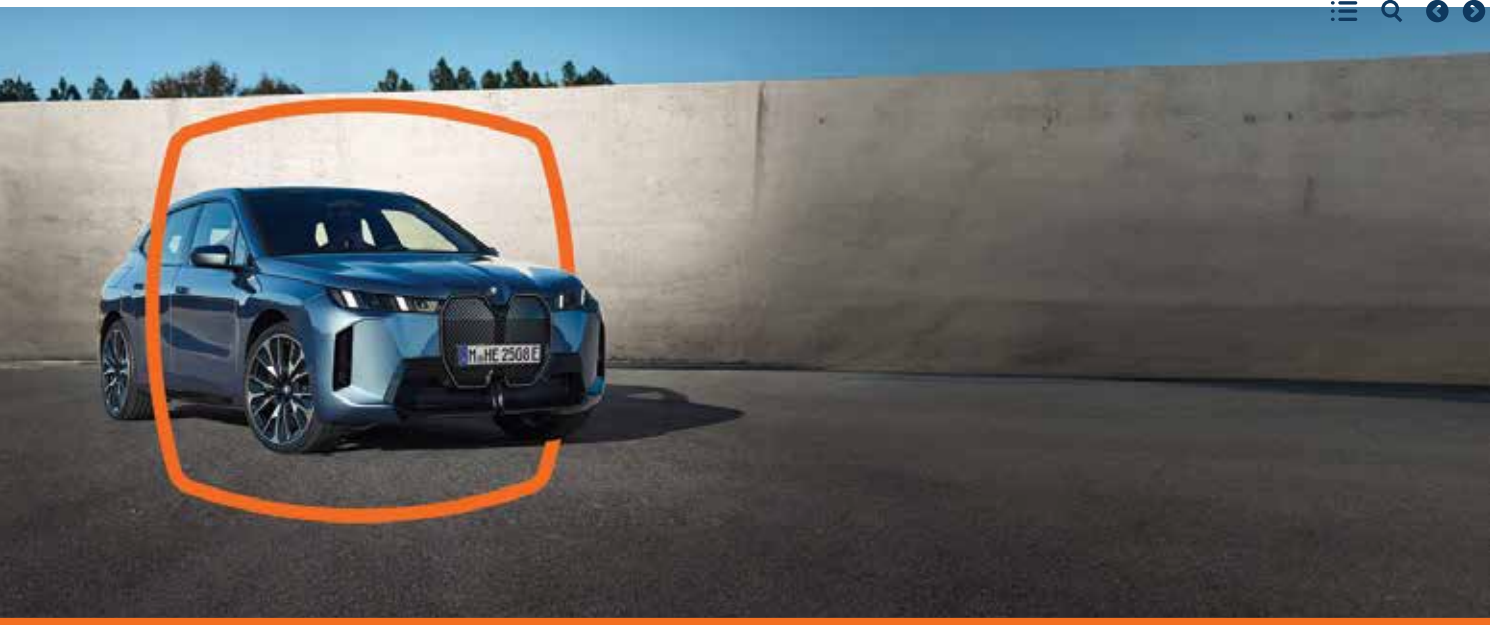
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# CHAIRMAN'S STATEMENT

**Tan Sri Samsudin Osman**  
Chairman





## Dear Valued Shareholders,

FY2025 was a year that tested many businesses with volatile markets and shifting industry dynamics. Yet it was also a year that reinforced Sime Darby Berhad's resilience, the strength of our partnerships and the depth of our portfolio.

Despite headwinds in several key markets, we pressed ahead with our transformation journey and marked a new chapter with the launch of our refreshed brand, Sime. This bold step reflects our aspiration to be a future-ready organisation built on resilience, innovation and regional strength, while renewing our commitment to lead with purpose in the automotive and industrial equipment sectors.

On this note, I am pleased to present our Annual Report for FY2025.

### FY2025 IN REVIEW

The year under review brought significant challenges, particularly in China's automotive sector where intense competition weighed on profitability. Against this backdrop, our diversified portfolio and geographical spread once again proved invaluable, enabling us to balance weakness in some markets with stronger performance in others.

A key driver was the first full-year contribution from Sime UMW, which significantly strengthened our presence in Malaysia's automotive sector through Toyota and Perodua. These two brands delivered a strong performance, providing a steady anchor for the Group. In Singapore, our Motors business grew its market share with BMW and BYD in our stable leading the automotive sector.

Our Industrial division remained a stable pillar. Malaysia and Singapore delivered higher profitability, driven by strong parts sales and rising demand for power systems in data centre projects. Australasia, though affected by currency and pricing pressures, continued to be a core contributor and is well positioned to benefit from long-term growth in the resources industry. The inclusion of positive contributions from Onsite and Cavpower further strengthened our position.

These results underline the value of our regional footprint and our partnerships with world-class principals. This provides Sime with the resilience to weather cycles and the foundation to capture long-term growth.

Throughout the year, our 5-Year Strategy Master Plan continued to serve as our compass, ensuring we remained focused on value creation. Anchored on three strategic pillars, namely Operational Excellence, Grow the Core and Future Ready, the Master Plan drives us to enhance returns and efficiencies across the Group, expand our core businesses and prepare for the future by aligning to emerging trends and new growth areas.



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Net Profit  
**RM2.1 billion**



Dividend Payout  
**RM954 million**



Dividend  
**14 sen per share**



## CHAIRMAN'S STATEMENT

### GOVERNANCE AS A STRATEGIC ENABLER

Given our expanded footprint across the automotive and industrial equipment landscape in FY2025, both in Malaysia and other geographies, governance becomes all the more crucial in how we run our business. This is reflected in the Board's role in ensuring clear responsibilities and accountability across the Group, supported by robust frameworks and best practices that align with Bursa Malaysia's evolving requirements, accompanied by international standards in the markets where we operate.

To reinforce our commitment to strong governance, the Group implemented several key enhancements during the financial year. We updated the Group Policies and Authorities and introduced a data classification initiative to safeguard sensitive information amid rising cybersecurity risks. The Group's Data Privacy Council was also established to provide oversight on data protection matters and to strengthen accountability in handling personal and sensitive data. Enhanced insider trading requirements were also adopted, including a mandatory one full market day trading delay post-announcement to promote fair market access and mitigate insider trading risks. Additionally, in-house training on conflict of interest was conducted for the Board and subsidiary directors to strengthen ethical leadership.

In line with our commitment to leadership diversity, we are pleased to welcome Puan Hanizan Hood to the Board. With over 28 years of experience in investment and fund management across regional markets and current role as Group Chief Investment Officer at Permodalan Nasional Berhad, her expertise will be invaluable as we pursue long-term value creation. At the same time, we bid farewell to Encik Mohamad Idros Mosin. On behalf of the Board, we would like to sincerely thank him for his dedicated service and wish him the very best in his future endeavours.



### DELIVERING VALUE TO STAKEHOLDERS

In spite of enormous challenges and choppy waters, the Group has delivered commendable core profits while sustaining our value proposition for our many stakeholders and shareholders. Testament to this, in FY2025, the Board declared a total dividend of 14 sen per share. This amounts to a total of RM954 million, representing 82% of core net profit, well above our minimum 50% dividend payout policy.

We are pleased that we have held to our track record of being a viable investment to discerning investors in terms of dividend yield. This is demonstrated by our strong fundamentals and diversified portfolio. We believe these intrinsic strengths, with the Group trading below net tangible asset value, reflect the long-term value that Sime offers to shareholders.

Throughout the year, our share price was weighed down by the concerns around the automotive industry and the weaker than expected results in the Industrial division. However, it experienced a notable rebound following the release of our fourth quarter results for the financial year ended 30 June 2025, which helped restore investor confidence and highlighted the underlying strength of our diversified operations.

FY2025 also marked a meaningful milestone with the full integration of UMW into the Sime family, expanding our workforce with new talent and expertise. In tandem, we continued to invest in our people through leadership development initiatives aimed at building strategic, global and emerging leadership capabilities. This included the Aspiring Leaders Programme for senior executives and assistant managers, Strategic Leaders Programme for managers and the Global Business Leaders Programme for senior leaders. We also enhanced our talent pipeline with apprenticeships, TVET and management trainee programmes. These initiatives enrich individual growth and ensure that we are building a strong talent pool and leadership pipeline for the future.

Alongside creating value for our shareholders and employees, we are equally committed to creating a positive impact in the communities where we operate. In FY2025, we invested RM31.76 million in community initiatives, spanning philanthropic contributions, impactful projects and strategic CSR partnerships. Through these efforts, we impacted 251 beneficiary organisations, driving meaningful change across education, community wellbeing and environmental programmes, demonstrating our ongoing commitment to building a better future for all.

More information on our community efforts can be found in the Creating Sustainable Value section on page 79 of this report.



## ADVANCING SUSTAINABILITY

Our sustainability agenda gained further momentum in FY2025, as we surpassed two of the three Group-wide targets under our Sustainability Blueprint. We achieved a 26% reduction in Scope 1 and 2 emissions against our 2020 levels, progressing steadily towards our 2030 target of a 30% reduction. Building upon this momentum, we established a Net Zero Roadmap effective from FY2026, setting a clear pathway towards Net Zero by 2050.

With two of our original targets met, we have refreshed our Sustainability Blueprint and have set four new sustainability targets for 2030, broadening the scope of our commitments and ensuring our efforts continue to evolve in line with global standards and stakeholder expectations. Read about these new targets in the Creating Sustainable Value section on page 65.



**As we look towards FY2026 and beyond, we remain mindful of global uncertainties, heightened competition and margin pressures. Against this backdrop, we are confident in Sime's ability to withstand the challenges that will come our way and to seize opportunities that arise during the coming year.**

## LOOKING AHEAD

As we look towards FY2026 and beyond, we remain mindful of global uncertainties, heightened competition and margin pressures. Against this backdrop, we are confident in Sime's ability to withstand the challenges that will come our way and to seize opportunities that arise during the coming year. Our direction is anchored by our 5-Year Strategy Master Plan, premised on strengthening operational excellence and sustaining the growth of our core businesses by unlocking the full value of our portfolio.

Improving our Return on Equity (ROE) is a key focus, as we continue to sharpen capital efficiency, strengthen earnings and build sustainable value for shareholders. Coupled with our discipline and strong balance sheet, this provides a firm foundation to uphold our market leadership and drive long-term growth, in line with our vision to be a leader in the automotive and industrial equipment sectors in Asia Pacific.

On behalf of the Board, I extend my deepest appreciation to our shareholders, principals, employees and the communities we serve for your trust and support. Together, we will continue to shape Sime into a future-ready organisation, resilient and prepared for the opportunities ahead.

**Tan Sri Samsudin Osman**  
Chairman



**Dato' Jeffri Salim Davidson**  
Group Chief Executive Officer

## GROUP CHIEF EXECUTIVE OFFICER'S Q&A



It was most certainly another year of challenges and trials, testing our mettle as an organisation to do better. It is said that smooth seas do not make skilful sailors. In the ensuing Q&A, we would like to share with our shareholders how we weathered uncharted waters to sail through shifting tides.

**Q The global business environment has been challenging. What were the main factors causing headwinds in your business?**

**A** After seven years of steady growth for the Group since the demerger, the current environment is certainly getting a little bit tougher. Geopolitical tensions and slowing economic growth have softened consumer demand in several of our markets.

For Motors, the toughest conditions were experienced in China. The combination of a slower economy, industry overcapacity and heightened competition from emerging Chinese auto makers resulted in aggressive discounting putting pressure on margins.

However, in Malaysia, the total industry volume, or TIV, has remained relatively robust, especially in the mass segment. Both Perodua and Toyota continue to benefit from the strong demand for cars in Malaysia.

The mining business in Australia has remained relatively resilient. Whilst commodity prices have dropped off in recent months and our mining customers are beginning to take a more cautious approach to both capital and operational spending, demand for our after-sales parts and service offerings continue to be robust.

**Q How would you describe Sime's financial performance in FY2025?**

**A** Despite the tougher cycle that we are in, our results have remained relatively strong. On the back of revenues of RM70 billion, we reported a net profit for the year of RM2.1 billion.

I would suggest that these are commendable results in a difficult trading environment. The weaker results in Sime's traditional Motors business were offset by the very strong contribution from the recently acquired UMW businesses demonstrating the benefit of Sime's acquisition of UMW and its diverse portfolio of businesses in the Asia Pacific region.

I was particularly pleased that our focus on generating cashflow has paid off. Through tighter inventory management and cost optimisation efforts across our operations, we generated a record operating cashflow of RM5.3 billion, a significant improvement from FY2024.

In the Industrial division, Australia reported a decline in profitability, largely a result of currency fluctuations (where the strengthening RM impacted the translation of AUD-based profits) and the short-term margin impact of Caterpillar's parts price reduction during the year. The business remains fundamentally sound with continued strong parts sales and service revenue. Malaysia and Singapore performed well, with robust parts sales and the delivery of standby power systems for the many data centres being constructed in the region.

It was much tougher at the Motors division. The aggressive discounting has impacted operating margins in many of our markets, especially China. But Singapore was a positive standout. Sime's market share in Singapore stood at 30% in the first half of 2025, with BYD emerging as the leading auto brand and BMW emerging as the number one premium marque.

In its first full year of operations after the acquisition, UMW division delivered extremely strong results. Perodua sustained its market share of over 44.3% and Toyota maintained its position as Malaysia's leading non-national marque with 12.5% market share.

**Q Chinese automakers are seriously disrupting the auto landscape. What impact has the rise of these Chinese automakers had on Sime's business?**

**A** The rapid rise of Chinese automakers has indeed changed the playing field. These brands are very competitive, both on pricing and on technology, especially in EVs. This has reshaped customer expectations for passenger cars.

The impact has been most pronounced at our China operations. Overcapacity, intense competition and aggressive discounting by local players have pushed down margins and created a very challenging environment. Profitability of auto manufacturers and auto dealers in China has been seriously impacted.

Chinese brands are also blazing a trail in Southeast Asia. We are privileged to partner with BYD as its distributor in Singapore and Malaysia early in the game. This has paid off. BYD has been very well received and is the best-selling EV brand in both Malaysia and Singapore. We are also supporting Chery as their assembly partner in Malaysia and we are a dealer for XPeng in Hong Kong as well as Polestar and Geely in Brisbane.

Our principal BMW is also expanding its EV offerings for both BMW and MINI. We believe that BMW's strong brand identity, prestige and commitment to innovation will maintain its appeal in the Chinese market. The arrival of the Neue Klasse generation of EVs in 2026 is expected to further improve BMW's competitiveness.

In addition, hybrids are coming back into fashion. Toyota plans to introduce new models which will expand its hybrid line-up. It currently has 3 hybrid models – Corolla Cross, Innova Zenix and Camry, which positions it well to capture this trend. Perodua will also be launching their homegrown EV by end 2025, which will give us another offering in this space from a well-loved marque.

Disruption is bound to happen and it is our responsibility to ensure that we have the right products in our stable to evolve with the consumer. While the rise of Chinese automakers has ramped up competition, it has also enabled us to capture new opportunities.



## GROUP CHIEF EXECUTIVE OFFICER'S Q&A

**Q Sime's China operations have been severely impacted. What is your prognosis and what steps have you taken to manage your businesses there?**

**A** We remain long-term bullish on China. It is the world's second largest economy and despite the slowdown, its GDP is still growing at a rate of 4% to 5%. Further, China is the world's largest auto market and a leader in innovation. Having already build a significant presence there, it is crucial that we remain steadfast.

In the near term, we expect margins to remain under pressure, although we are already seeing signs that conditions may improve. The Chinese government has initiated a policy response to stem "involution" by stepping in to address overproduction and irrational discounting, which we expect will help stabilise the market.

In the meantime, we are implementing strategic action plans to turnaround our operations. We have closed 15 under-performing non-BMW outlets across eight brands to streamline out network. Overheads and rental costs have also been reduced. The workforce has been rationalised. Our principals have provided support and rebates to help us weather this challenging period. This has borne fruit, as vehicle sales are holding up despite intense competition and our China operations are cashflow positive. Besides stemming losses, these steps will leave us leaner and well poised for the market rebound.

BMW continues to hold firm market share in China and remains highly aspirational among consumers. China is the largest single market for BMW, accounting for around 30% of its annual global revenue. BMW's commitment to the region is evident from its heavy investment in its Shenyang plant as well as its increased stake to 75% in its Chinese JV. BMW is also actively collaborating with leading Chinese technology companies such as Huawei and Momenta to enhance its offerings and remain competitive. We believe that BMW will continue to have a bright future in China.

At the same time, we are actively exploring partnerships with Chinese OEMs to broaden our portfolio and capture new opportunities. The opening of two XPeng showrooms in Hong Kong reinforces our track record of growing businesses for new brands, while BYD in Malaysia and Singapore has also been a success.



Revenue  
**RM70 billion**



Net Profit  
**RM2.1 billion**



Record Operating  
Cashflow  
**RM5.3 billion**

**Q This year saw a decrease in earnings in the Industrial division. What are the longer-term prospects of the mining industry?**

**A** Mining remains a long-term growth story for us.

Australia, where over 70% of our Industrial operations are based, is one of the world's most important natural resource basins producing high-quality iron ore, copper, critical minerals and metallurgical coal that are much sought after in the global supply chain. Mining alone contributes about 15% of Australia's GDP and accounts for nearly 65% of exports to the Asia Pacific region. Moreover, Australian metallurgical coal producers are at the lower end of the cost curve, ensuring a long and sustainable runway for profits which will drive equipment spend. The global energy transition is further propelling demand for critical minerals such as copper, lithium and nickel. Copper is a key component for electrification and our Cavpower business capitalises on this.

Our strong order book of around RM4.5 billion is supported by both mining and construction demand, but we also capture growth in power systems for data centres and oil & gas industries.

Our after-sales business contributes nearly 60% of Industrial revenue. This is a high-margin and recurring income stream which provides durability, as mining companies have equipment service needs, regardless of the market cycle. In addition, equipment is rebuilt every eight years which results in a second life cycle and refresh of recurring service revenues.

**Q Sime's share price has performed poorly in the first half of FY2025. What is driving this negative view on the share price?**

**A** Share price is largely influenced by market sentiment and might not always reflect what we believe to be the true value of our company.

The negative sentiment which has affected our share price has largely stemmed from two external factors. Firstly, the concerns on the state of the auto market. And secondly, though the Industrial Australia business remains fundamentally sound with continued strong parts sales and service revenue, the results in FY2025 were affected by a one-off Caterpillar parts price reduction resulting in a temporary margin contraction. This was compounded by the stronger Ringgit.

Despite the difficult trading environment, Sime remains profitable. We have a solid balance sheet. We continue to pay sustainable dividends, consistently above the 60% payout ratio. Our operating cashflow has been strong. We generated RM5.3 billion in FY2025 and have been able to reduce our gearing ratio.

I believe the long-term fundamental value of Sime remains compelling. We represent some of the most prestigious brands across the fast-growing Asia Pacific region.

Our Australia business is exposed to the mining industry which we believe has a long runway for profitability due to its low cost of production and proximity to the dynamic and rapidly developing Asia Pacific region.

The Group has a commanding 60% market presence with all the best brands in Malaysia, being the second largest in ASEAN's significant automotive market. We carry the full spectrum of brands across all segments from the entry level Perodua to mass market Toyotas and BYDs, to premium luxury brands like BMW and Porsche, allowing us to cater to the mobility needs across the entire consumer life cycle.

These factors contribute to our strong inherent value and we are confident the market will recognise this. We will also endeavour to maintain our strong historic dividend payout ratio to further support value to shareholders.

**Q Sime has been fairly acquisitive over the past few years. Do we expect further M&As in FY2026?**

**A** We completed several significant strategic acquisitions over the past years including UMW, Onsite and Cavpower. These acquisitions have been relatively successful so far and are contributing positively to our bottom line.

Management's focus for FY2026 is to fully embed these acquisitions, to drive synergies and to continue extracting full value from these operations, as opposed to further M&A activity. This means growing market share, improving margins, driving efficiency, managing working capital more efficiently and exiting or turning around under-performing operations.

**Q Sime took a bold new direction this year with the new "Sime" brand. Why was this necessary?**

**A** The new "Sime" brand is a reflection of the journey we have been on since the 2017 demerger. Over the past seven years, we have positioned Sime as one of Malaysia's most dynamic regional multinational companies, with a clear focus on our core businesses of automotive and industrial equipment trading.

We have made several strategic acquisitions that have broadened our scale and created new growth opportunities. We introduced a new purpose and refreshed our core values to guide us forward. This has enabled us to strengthen our foundations to ensure we are well placed to capture the next wave of growth across Asia Pacific.

Our refreshed identity reflects both our century-old legacy and our vision for the future. The tagline, Bridging Opportunities, captures our role as a partner of choice, connecting world-class brands with the opportunities of Asia Pacific and creating lasting value for our stakeholders.

More than a new look, the fact that we have streamlined our brand identity by distilling it into the "Sime" name reflects our DNA of being more agile, in a market that is constantly evolving because of customer sentiment and unbridled competition. It marks a renewed sense of purpose and ambition. It differentiates us in the market, enhances our relevance among stakeholders and allows us to share our growth story more effectively.



**Muhammad Noor Abd Aziz @ Hashim**  
Group Chief Financial Officer

# GROUP CHIEF FINANCIAL OFFICER'S REVIEW

## Dear Stakeholders,

Against the backdrop of a challenging operating landscape, Sime delivered a net profit of RM2.06 billion and a core net profit of RM1.17 billion in FY2025. This was lower than the net profit of RM3.31 billion and core net profit of RM1.32 billion reported in FY2024. The reduction in net profit was mainly due to lower gain on disposals – RM0.81 billion from the disposal of Malaysia Vision Valley (MVV) land in FY2025 compared with RM2.01 billion from the disposal of Ramsay Sime Darby Health Care (RSDH) and RM0.25 billion from the disposal of MVV land in FY2024. Core net profit decreased, primarily as a result of challenging business conditions in the Motors division, though the full year contribution from the UMW division provided some offset.

In response to the tougher operating environment, we tightened working capital management and cost controls.

With the improved working capital, our operating cash flow increased to RM5.30 billion from RM0.48 billion in the preceding financial year. The Group's financial position was also strengthened in FY2025, with the debt/equity ratio declining from 56.6% in June 2024 to 41.0% in June 2025.

The Group's core return on average shareholders' equity (ROE) declined from 7.2% in FY2024 to 6.2% in FY2025 due to the lower core net profit and higher average shareholders' equity. ROE also showed a decline from 18.1% in FY2024 to 11.0% in FY2025 mainly due to lower disposal gains as explained earlier.

## STATEMENT OF PROFIT OR LOSS

### Revenue

Revenue from continuing operations increased by 4.4% to RM70.1 billion compared with RM67.1 billion in FY2024. This rise in revenue was attributable to the full year consolidation of Sime UMW's results (compared with less than 7 months in FY2024).

The Industrial division's revenue decreased by 7.1% to RM19.0 billion from RM20.5 billion in FY2024, primarily due to the lower revenue from Australasia, which was impacted by the weaker Australian Dollar against the Malaysian Ringgit.

Revenue for the Motors division declined by 7.3% to RM34.5 billion, compared with RM37.2 billion in FY2024, largely due to lower sales across Malaysia, China and Australasia. This was driven by weaker demand and intense competition from the influx of new brands and models.

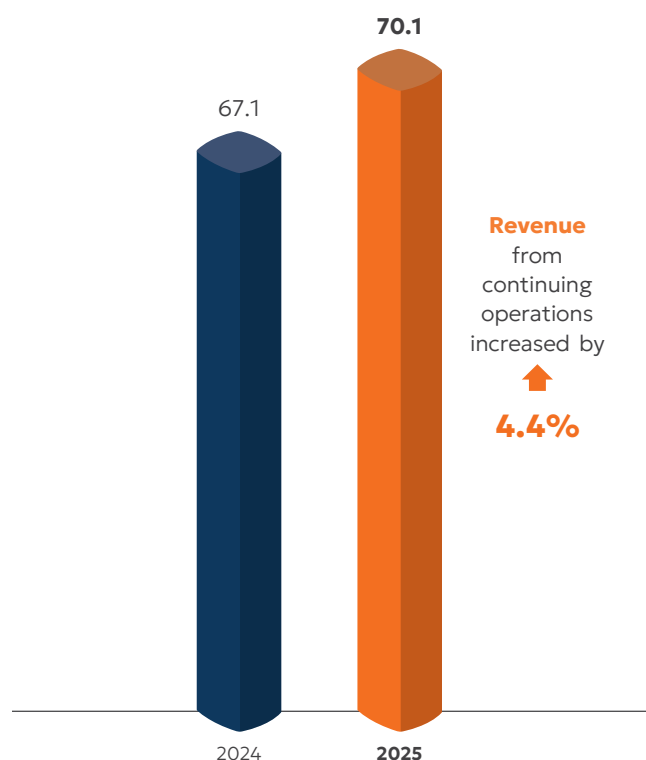
Sime UMW was a key growth driver for the Group in FY2025, with revenue rising 75.4% to RM16.5 billion, mainly due to the full year consolidation of results compared with less than seven months in FY2024.

Following the UMW acquisition, the Group's revenue by geography is more well-balanced across three core markets, with Malaysia contributing 35%, Australasia at 27% and China at 22%.

### Profit Before Interest and Tax

The Group's profit before interest and tax (PBIT) from continuing operations increased by 30.2% to RM3,592 million in FY2025 from RM2,758 million in FY2024, mainly due to higher gain on disposal of MVV land. Core PBIT from continuing operations declined 1.6% from RM2,648 million to RM2,606 million, with lower core PBIT from Motors and Industrial largely offset by the higher profit contribution from UMW.

### Revenue (RM billion)



### REVENUE CONTRIBUTION BY DIVISION

#### Industrial Division



**RM19.0 billion**  
FY2024: RM20.5 billion

#### Motors Division



**RM34.5 billion**  
FY2024: RM37.2 billion

#### UMW Division



**RM16.5 billion**  
FY2024: RM9.4 billion



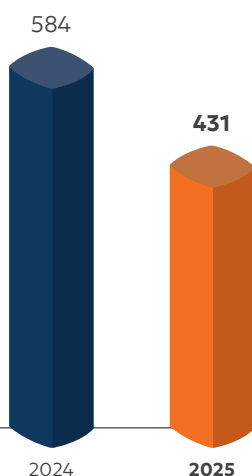
## GROUP CHIEF FINANCIAL OFFICER'S REVIEW

### Industrial Division PBIT (RM million)



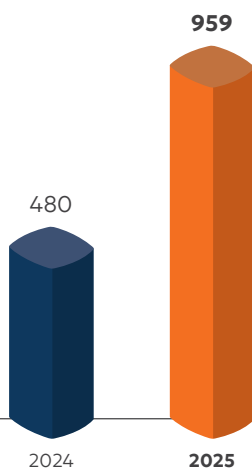
The Industrial division's PBIT decreased by 9.6% to RM1,326 million from RM1,467 million in FY2024. This was mainly due to lower profits from Australasia, which was adversely impacted by parts price reductions and a weaker Australian dollar against the Malaysian Ringgit. In contrast, the Industrial business in Malaysia delivered improved performance in FY2025 with PBIT rising 79.7% to RM106 million from RM59 million in the previous fiscal year. This was supported by stronger parts sales and data centre projects, while Singapore also improved on the back of higher product support margins.

### Motors Division PBIT (RM million)



PBIT for the Motors division saw a reduction to RM431 million in FY2025 from RM584 million in FY2024. The results included one-off gain from disposals of RM68 million in FY2025 while FY2024's results included RM229 million of provisions and impairments. Excluding these items, core PBIT declined 55.4% from RM813 million to RM363 million, mainly due to lower profits from Malaysia and Australasia and the absence of RM142 million dividend income recorded in the previous year. In China, market conditions continued to weigh on performance, resulting in a loss before interest and tax (LBIT) of RM140 million compared with a core LBIT of RM123 million in FY2024. Closer to home, Singapore delivered a strong performance, driven by surging EV sales and the continued success of BYD and BMW in the market.

### UMW Division PBIT (RM million)



The UMW division's PBIT nearly doubled to RM959 million in FY2025, mainly due to the full year consolidation of UMW. The strong performance was also fuelled by the automotive segment with Toyota and Perodua underpinning growth through sustained sales momentum and improved margins.

Geographically, the first full-year consolidation of Sime UMW has shifted the Group's PBIT profile, with Malaysia now contributing a larger share of earnings. In FY2025, approximately 50% of core PBIT from continuing operations came from Malaysia, compared with FY2023 (before the UMW acquisition) where Malaysia's contribution was approximately 20%. Overseas operations contributed the remaining 50%, driven mainly by Australasia's Industrial operations and supported by Singapore's positive performance.



PBIT from continuing operations rose

**30.2%** to  
**RM3,592 million**

in FY2025, up from RM2,758 million in FY2024.

## Finance Income and Costs

Finance income from continuing operations decreased to RM106 million from RM142 million mainly due to lower average cash and deposit balances and lower average interest rates.

The Group's finance costs saw a reduction to RM647 million in FY2025 from RM719 million in FY2024 mainly due to lower average borrowings and lower interest rates, particularly in Australia. Weighted average cost of borrowings as at June 2025 was 4.7% compared with 5.0% in June 2024.

## Taxation

A lower tax expense from continuing operations was recorded at RM663 million in FY2025 compared with RM698 million FY2024, mainly due to the lower effective tax rate of 26.1% in FY2025 against 36.3% in FY2024. The lower effective tax rate for FY2025 was partly due to the lower tax rate applicable to the MVV land sale gains while the high effective tax rate in FY2024 was mainly due to one-off tax deferred tax adjustments.

## Statement of Financial Position

The Group's total assets stood at RM47.4 billion as at 30 June 2025, a decrease from RM51.8 billion as at 30 June 2024, mainly due to disposals in FY2025 and the impact of foreign currency translation as a result of the stronger Malaysian ringgit against key foreign currencies such as the Australian dollar and Chinese renminbi.

Total debt also decreased to RM9.6 billion as at 30 June 2025 from RM13.2 billion as at 30 June 2024 mainly due to net repayment of borrowings and the impact of foreign currency translation as a result of the stronger Ringgit.

Debt/equity ratio decreased to 41% as at 30 June 2025 from 57% as at 30 June 2024, while the debt-adjusted EBITDA ratio also decreased to 2.26 times as at 30 June 2025 from 2.67 times as at 30 June 2024 mainly due to the lower debt.

In FY2025, about **50%** of core PBIT came from Malaysia, up from approximately **20%** in FY2023, driven by Sime UMW's consolidation.

The other **50%** came from overseas, driven by Australasia's Industrial operations and Singapore's strong performance.



**The Board declared a total dividend of 14 sen per share for FY2025, amounting to RM954 million.**

## Statement of Cash Flow

Operating cash flow improved significantly to RM5.3 billion in FY2025, up from RM0.5 billion in FY2024, mainly arising from working capital improvements initiatives undertaken by the Group.

Capital expenditure (excluding rental assets) for FY2025 was RM1.1 billion, similar to that for FY2024. The capital expenditure for FY2025 was mainly upgrading of facilities and completion of on-going expansion projections across the three core divisions.

## Dividend

The Board declared a total dividend of 14 sen per share for FY2025, amounting to RM954 million. This translates to a dividend payout of 46% of reported net profit or 82% of core net profit. The Group is committed to its dividend policy – i.e. dividend payout ratio of at least 50%. The Group's dividend payout had consistently exceeded 50% of core net profit.

## FY2026 Focus

In FY2026, our focus will be on initiatives to improve the Group's ROE. These include divestment of non-core or underperforming assets, optimising operational structure and cost as well as continued working capital improvements. These improvements aim to position the Group to navigate challenging business conditions more effectively and pave the way for enhanced value creation for shareholders in the future.

**Muhammad Noor Abd Aziz @ Hashim**  
Group Chief Financial Officer

# OVERVIEW OF Sime

Sime Darby Berhad is one of Malaysia's largest listed multinationals on Bursa Malaysia and a trusted partner to over 60 leading automotive and industrial equipment brands. Backed by more than 110 years of heritage and presence in 18 countries and territories, we bring the best products and solutions to enable Asia Pacific to move and develop.

In FY2025, we introduced a refreshed identity – “Sime” – and a new brand promise, “Bridging Opportunities”. This evolution marks the start of a new chapter of growth, where we will embrace bold, forward-thinking innovations, connect our principals, dealers and communities with new possibilities and empower the industry's continued development in a fast-changing world.



## PURPOSE

WE BRING THE BEST PRODUCTS AND SOLUTIONS TO ENABLE ASIA PACIFIC TO MOVE AND DEVELOP

## VISION

TO BE THE LEADING MOTORS AND INDUSTRIAL PLAYER IN ASIA PACIFIC

## MISSION



We are committed to developing a winning portfolio of sustainable businesses.



We subscribe to good corporate governance and high ethical values.



We continuously strive to deliver superior financial returns through operational excellence and high-performance standards.



We provide an environment for our people to realise their full potential.

## CORE VALUES



### ACT WITH INTEGRITY

- Doing the right thing, even when no one is watching.
- Being responsible and accountable for our words and actions.
- Communicating with honesty, transparency and openness.



### CARE FOR ALL

- Understanding and listening with curiosity and empathy.
- Respecting everyone and embracing differences.
- Championing well-being, safety and sustainability.



### WIN TOGETHER

- Putting relationships first, within and beyond our organisation, working together to achieve great outcomes.
- Being bold in our ambitions and delivering them with passion.
- Striving to continuously improve by proactively seeking and giving constructive feedback.

## OUR BUSINESSES

**sime**  
INDUSTRIAL



A leading provider of industrial equipment and solutions across Asia Pacific, offering heavy equipment, power systems, rental services, product support and integrated solutions through partnerships with Caterpillar and other globally recognised industrial brands, serving a diverse range of sectors.

### Products

- Heavy equipment sales (new and used)
- Equipment rental
- Power systems sales
- Rental services
- Product support
- Industrial solutions

### Customers

Companies in resources, infrastructure, maritime, power generation, oil & gas, material handling and agriculture.

### Presence

14 countries and territories across Asia Pacific.

### Strategic Partnerships

Sime Industrial represents more than 30 industrial brands.

**sime**  
MOTORS



One of the leading automotive player in Asia Pacific, involved across all facets of the automotive business – from importation and assembly to distribution, retail and rental – representing luxury to broad appeal brands such as BMW, Porsche and BYD.

### Products

- Vehicle importation and assembly
- Distribution and retail
- Vehicle rental services
- After-sales services

### Customers

End consumers, corporate fleet clients, automotive dealers, rental customers and brand principals.

### Presence

10 markets across Asia Pacific.

### Strategic Partnerships

Sime Motors currently represents over 30 brands.

**sime**  
UMW



A leading industrial enterprise operating across the automotive, equipment, manufacturing, engineering and aerospace sectors, representing market-leading brands including Toyota and KYB.

### Products

- Vehicle manufacturing and distribution
- Material handling and marine equipment services
- Production of automotive parts and lubricants
- Manufacture and supply of aero fan cases

### Customers

Automotive consumers and industry players in Malaysia and the wider Asia Pacific region, as well as industrial and aerospace clients.

### Presence

Five Asia Pacific countries, namely Malaysia, Singapore, Brunei, Vietnam and China.

### Strategic Partnerships

Sime UMW represents more than 20 global brands and solutions.



## OUR PRESENCE



**TOTAL EMPLOYEES**  
**29,807**

Malaysia:  
**13,029**

Chinese Mainland:  
**5,662**

Hong Kong SAR:  
**1,020**

New Zealand:  
**1,517**

Australia:  
**5,834**

Singapore:  
**1,227**

Thailand:  
**328**

Others:  
**1,190**

Brunei – 24  
Indonesia – 115  
Japan – 5  
Macau SAR – 108  
Maldives – 3  
New Caledonia – 131  
Papua New Guinea – 336  
Solomon Islands – 16  
South Korea – 5  
Taiwan Region – 229  
Vietnam – 218

**Note:**  
Excluding discontinuing operations

### Staff Strength

|                         |               |
|-------------------------|---------------|
| Sime Industrial         | <b>9,717</b>  |
| Sime Motors             | <b>14,013</b> |
| Sime UMW                | <b>5,694</b>  |
| Group Head Office       | <b>195</b>    |
| Other Businesses        | <b>188</b>    |
| Countries & Territories | <b>18</b>     |

## OUR INVESTMENT CASE SNAPSHOTS OF FY2025

### REVENUE\*

**RM70.1 billion**

FY2024: RM67.1 billion

⬆️ 4.4%



### PROFIT BEFORE INTEREST AND TAX\*

**RM3.6 billion**

FY2024: RM2.8 billion

⬆️ 30.2%

### RETURN ON EQUITY (ROE)^

**11.0%**

FY2024: 18.1%

⬆️ 39.2%

### NET PROFIT

**RM2.1 billion**

FY2024: RM3.3 billion

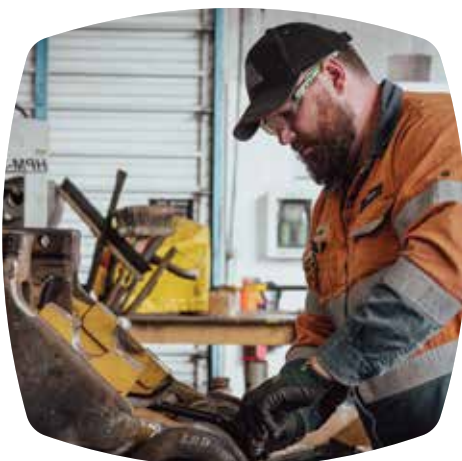
⬆️ 37.7%

### EARNINGS PER SHARE

**30.2 sen**

FY2024: 48.5 sen

⬆️ 37.7%



### DIVIDEND PER SHARE

**14 sen**

FY2024: 13 sen

⬆️ 7.7%

\* Excludes discontinued operations  
^ Based on average shareholders' equity  
(quarterly average)

## OUR INVESTMENT CASE

### SUSTAINABILITY HIGHLIGHTS



#### Optimising Our Environmental and Social Footprint

- Completed the qualitative climate scenario analysis in alignment with the IFRS.
- Integrating identified climate risks and opportunities into the Sime Enterprise Risk Management system.
- Developed Sime's Net Zero Roadmap, outlining the strategy and identified actions to achieve net zero emissions across our operations by 2050.
- Launched refreshed Health, Safety, Security and Environment (HSSE) strategy, anchored in four strategic themes: leadership capability, excellence in fundamentals, simplification & optimisation and learning & resilience.
- Delivered people integration initiatives for newly acquired organisations, ensuring alignment with company values and operational practices.
- Significantly reduced our greenhouse gas (GHG) emissions by 26% from 2020 levels through green energy procurement, solar installations and efficiency improvements.
- Additional 6.5 MW of rooftop solar panels installed with annual solar electricity generated increasing to 14.7 GWh with an estimated emissions avoidance of approximately 6,400 tCO<sub>2</sub>e.
- Green energy purchased more than doubled to almost 100 GWh across Australia, China, Malaysia, New Zealand and Singapore.
- Performance Motors in Singapore offers an opt-out option for complimentary car washes, contributing to more than 300,000 litres in water savings in FY2025.
- Hastings Deering implemented water harvesting systems to support equipment cleaning operations, saving more than 500,000 litres of potable water in FY2025.
- Achieved a Group-wide recycling rate of 58%, driven by improved landfill diversion and site-led recovery efforts.



#### Inspiring Our Employees to Deliver Meaningful Change

- Delivered bespoke sustainability education to over 4,000 employees and strengthened our talent pipeline with Apprenticeship/Technical and Vocational Education and Training (TVET) and management trainees programmes.
- Total community investment: RM31.76 million across philanthropic contributions, community projects and CSR partnerships.
- Individuals impacted: 251 beneficiary organisations reached through education, community wellbeing and environmental programmes.



#### Engaging in Sustainable Partnerships

- Expanded Sime Motors OneGo mobile app and regional platforms to enable customers to browse vehicle models and book service appointments online.
- Terra Analytical, Terra Cat's used oil analysis lab, has been reaccredited to ISO 9001:2015 for the fifth year in a row, with zero non-conformances.
- UMW Aerospace included in High Performing Supplier Group by Rolls-Royce since 2021 for five consecutive years.
- Conducted full-scale IT disaster recovery drills and crisis communication trainings to improve response readiness.
- Developed response strategies for five critical disruption scenarios, including workplace inaccessibility and supply chain disruption.
- Facilitated the implementation of mandatory annual e-learning on anti-bribery and anti-corruption and the code of business conduct for all employees groupwide.



#### Driving Sustainable Innovation and Technology

- Secured dealership rights for Polestar and Geely in Brisbane, Australia and Denza in Singapore and Malaysia to increase number of hybrid and EV models in our product offering.
- Launched Toyota Camry XV80 Hybrid and Mirai FCEV in Malaysia as complementary options to BEVs.
- Established an enhanced Security Operation Center (SOC) for proactive cybersecurity monitoring and incident response.
- More than 50% of product portfolio in FY2025 is more energy efficient than in FY2020.

## OUR COMPETITIVE ADVANTAGE

We deliver quality products and services across Asia Pacific that drive growth and development, underpinned by a strong financial foundation and trusted brand partnerships. Guided by experienced leadership and a skilled workforce, we operate in key markets while prioritising sustainability and positive social impact — ensuring continued commercial relevance and contributing meaningfully to the region's long-term progress.



### Geographical & Portfolio Diversification

A broad presence across Asia Pacific with diversified business operations, providing exposure to diverse sectors and regional growth opportunities.



### Established Brand & OEM Partnerships

Decades-long relationships with leading global brands and OEMs, ensuring access to premium products and unlocking valuable avenues for collaboration.



### Strong Financial Position

A solid financial foundation that supports long-term stability, strategic investments and shareholder value creation.



### Growth Potential in Key Markets

Well-positioned to capitalise on structural trends such as rising household incomes and increased infrastructural development to drive business growth.



### Robust Leadership & Skilled Workforce

Experienced leadership and diverse teams that drive operational excellence, supported by ongoing capability development.



### Commitment to Sustainability and Community

Focused on reducing carbon emissions and making a positive social impact through Yayasan Sime Darby and other corporate social responsibility (CSR) initiatives.

## HOW WE ARE STRUCTURED



**sime**  
INDUSTRIAL

**100%**

Sime Darby Industrial Holdings Sdn Bhd

**100%**

Sime Darby Industrial Australia Pty Ltd

**100%**

Sime Darby Industrial Sdn Bhd

**100%**

Sime Darby CEL (South China) Limited

**100%**

Sime Darby Industrial Singapore Pte Ltd



**sime**  
MOTORS

**100%**

Sime Darby Motors Sdn Bhd

**100%**

Sime Darby Auto Bavaria Sdn Bhd

**100%**

Sime Darby Motors Group (Australia) Pty Limited

**100%**

Sime Darby (Thailand) Limited

**100%**

Sime Darby Motor Group (NZ) Limited

**100%**

Sime Darby Motor Group (HK) Limited

**100%**

Sime Darby Motor Holdings Limited



**sime**  
UMW

**100%**

UMW Holdings Berhad

**38%**

Perusahaan Otomobil Kedua Sdn Bhd

**51%**

UMW Toyota Motor Sdn Bhd

**51%**

UMW Toyota Material Handling Sdn Bhd

For the list of companies in Sime Darby Berhad, please refer to our List of Subsidiaries, Joint Ventures and Associates on pages 274 to 299 of this report.



## SIGNIFICANT EVENTS IN FY2025



15 November 2024

Rebranded as “Sime” to embody a forward-looking vision and sharpened focus on the automotive and industrial equipment sectors.



9 December 2024

Launched Autotek, a new digital platform developed with AutoGrab and AdTorque Edge that delivers advanced technology solutions to enhance the entire automotive dealer value chain.



6 May 2025

Porsche Centre Pattaya officially opened its doors, a new destination for Porsche customers and enthusiasts in the east of Thailand.



27 February 2025

Sime Motors introduces EV NEXT, Malaysia's first used electric vehicles (EV) dealership.



9 May 2025

Sime Motors and Sime Industrial New Zealand spark new beginnings with the opening of a new headquarters at the Waterloo Business Park in Christchurch.



9 May 2025

Sime UMW powers Malaysia's first mobile hydrogen station.



9 May 2025

KINETA partners with Charge+ to power Malaysia's EV charging future.

# OUR VALUE CREATION BUSINESS MODEL

## PURPOSE

We bring the best products and solutions to enable Asia Pacific to move and develop

## OUR CAPITAL

## OUR KEY DIFFERENTIATORS

### INPUT

#### FINANCIAL

- Total equity: RM23.3 billion (FY2024: RM23.4 billion)
- Total debt: RM9.6 billion (FY2024: RM13.2 billion)
- Debt/Equity (%): 41% (FY2024: 57%)

#### MANUFACTURED

- Operations in 18 countries and territories
- More than 200 automotive dealerships across 10 markets
- 9 operational plants across Motors and UMW divisions

#### INTELLECTUAL

- Knowledge sharing and transfer from manufacturing and assembly partners like BMW, Daihatsu, Toyota and KYB
- Certifications from regulatory bodies acknowledging our standards in quality, safety, and environmental compliance
- Well-established internal processes and systems
- Key licenses and software embedded in our processes
- Well-known brands driving strong brand recognition and trust

#### HUMAN

- Total employees: 29,807 (FY2024: 31,448)
- Amount invested in training and development: RM61.1 million (FY2024: RM59.6 million)
- Employees with job-relevant professional and technical certifications
- Management participation in executive programmes

#### SOCIAL & RELATIONSHIP

- Partnerships with more than 60 brands in the automotive, heavy equipment and industrial sectors across Asia Pacific
- Long-term customer relationships across industries
- Long-term supplier partnerships for the manufacturing and assembly businesses, supported by investments in local vendors
- Close engagement with the Malaysian government, regulatory bodies and the investor community
- Robust employee engagement, cross-functional collaboration and knowledge sharing initiatives
- RM31 million contributed to Yayasan Sime Darby (YSD) for philanthropic activities (FY2024: RM30 million)

#### NATURAL

- Generated 14.7 GWh of renewable energy (FY2024: 7.1 GWh) and avoided approximately 6,400 tCO<sub>2</sub>e (FY2024: 3,900 tCO<sub>2</sub>e)

### STRATEGIC PILLARS



Operational Excellence



Growing the Core



Future Ready

### MATERIAL MATTERS

- Health and Safety
- Energy and Emissions Management (Including Renewable Energy)
- Labour Practices
- Climate Change (Including Financial Risk & Opportunities)
- Waste and Effluent Management
- Diversity
- Water Management

- Employee Training and Development
- Community Contributions and Development

- Business Continuity
- Customer Satisfaction
- Business Ethics and Compliance (Including Anti-Bribery/Corruption)
- Responsible Supply Chain

- Data Privacy and Security
- Sustainable Product Offering

### SUSTAINABILITY THEMES



Optimising Our Environmental and Social Footprint



Inspiring Our Employees to Deliver Meaningful Change



Engaging in Sustainable Partnerships



Driving Sustainable Innovation and Technology

### MARKET TRENDS

Evolving automotive policies and regulations in China and Malaysia. Challenging market dynamics in China's automotive sector.

Growth in critical minerals to support the energy transition.

Changing consumer preferences challenging traditional premium brands in the automotive sector, especially in China.

## BUSINESS ACTIVITIES



### INDUSTRIAL

- HEAVY EQUIPMENT SALES - NEW AND USED
- POWER SYSTEMS SALES
- PRODUCT SUPPORT
- EQUIPMENT RENTAL
- RENTAL SERVICES
- INDUSTRIAL SOLUTIONS



### MOTORS

- ASSEMBLY
- IMPORTATION
- RETAIL OF NEW & USED CARS
- AFTER-SALES
- RENTAL



### UMW

- AUTOMOTIVE
- EQUIPMENT
- MANUFACTURING & ENGINEERING
- AEROSPACE

### KEY RISKS

- Market Dynamics
- Business Partners
- Disruption
- Mergers and Acquisitions
- Product and Service Delivery
- Health, Safety and Environment (HSE)
- Cybersecurity
- ESG - Climate Change
- People and Culture
- Regulatory Compliance

### KEY ENABLERS

Strategic partnerships with world class brands.

Robust value creation plan and capital allocation framework.

Strong governance and risk management.

Capable leadership and management.

## BRAND PROMISE Bridging Opportunities



**Trustworthy**



**Knowledgeable**



**Thoughtful**



**Innovative**

## CORE VALUES

▶ **ACT WITH INTEGRITY**

▶ **CARE FOR ALL**

▶ **WIN TOGETHER**

→ **CREATE VALUE-ADDED OUTCOMES FOR OUR STAKEHOLDERS** → **STRATEGIC TRADE-OFFS FOR SUSTAINABLE LONG-TERM GROWTH**

### OUTPUTS



Vehicles Assembled (Motors Division):

**30,114**

(FY2024: 52,482)



KYB plant production volume:

**5,250,569**

pcs  
(FY2024: 5,250,612 pcs)



Lubricant Malaysia production volume:

**20.842**

million litres  
(FY2024: 10.130 million litres)



Total Emissions:

**122,000**

tCo<sub>2</sub>e  
(FY2024: 168,000)

Emissions (Scope 1):

**43,000**

tCo<sub>2</sub>e  
(FY2024: 47,000)

Emissions (Scope 2):

**79,000**

tCo<sub>2</sub>e  
(FY2024: 121,000)

### OUTCOMES

#### FINANCIAL

- Net profit: RM2.1 billion (FY2024: RM3.3 billion)
- Core ROE: 6.2% (FY2024: 7.2%)
- Total dividend payout: RM954 million (FY2024: RM886 million)
- Industrial order book: RM3.93 billion (FY2024: RM4.52 billion)

#### MANUFACTURED

- Established assembly footprint providing resilience and adaptability across ASEAN markets.
- Established joint ventures and in-house manufacturing capabilities supporting components (shock absorbers, hydraulic systems) and lubricants (Pennzoil, Repsol, GRANTT).

#### INTELLECTUAL

- Consistent product quality and manufacturing efficiency
- Automation of tasks, driving improved productivity
- Strong brand recognition and customer loyalty

#### HUMAN

- Employees who bring deeper expertise to their roles, supporting better decision-making and daily operations
- Enhanced leadership, credibility and image of the Management Team

#### SOCIAL & RELATIONSHIP

- Continuously strong relationships with various stakeholders, resulting in customer loyalty, better business terms and positive brand reputation
- Number of beneficiary organisations benefitted from contributions: 251

#### NATURAL

- GHG emissions reduction achieved: 60,000 tonnes of carbon dioxide equivalent (tCo<sub>2</sub>e) (FY2024: 23,000 tCo<sub>2</sub>e)

### ACTIONS TO ENHANCE OUTCOMES

- Strengthening financial discipline through strict capital allocation, portfolio optimisation, and cost-efficiency programmes

- Boosted our efforts to digitalise and modernise our technologies by strategically allocating designated resources
- Strengthened relationships with principals and customers
- Consistently reviewed compliance requirements to ensure we meet standards for quality assurance

- Strengthened our management and protection of patents, trademarks and copyright
- Encouraged collaboration and knowledge transfer across functions
- Encouraged the usage of digital tools across operations at all levels

- Provided ongoing training programmes to upskill employees across all levels and foster leadership development
- Boosted female representation across all divisions
- Continued to foster a positive company culture among employees

- Improved transparency and maintained regular communication with stakeholders to build trust and foster long-term partnerships
- Increased involvement in community development projects and social initiatives to build stronger local relationships
- Continued to encourage cross-functional collaboration and knowledge sharing

- Implemented the Responsible Sourcing Policy to uphold ethical and environmental standards throughout our supply chain
- Expanded green energy adoption across all levels in the organisation
- Improved clarity and transparency in our measurement and methods and reporting practices

### Stakeholders and Related UN SDGs

#### Stakeholders:



#### SDGs:



#### Stakeholders:



#### SDGs:



#### Stakeholders:



#### SDGs:



#### Stakeholders:



#### SDGs:



#### Stakeholders:



#### SDGs:



#### Stakeholders:



#### SDGs:



● Value creation ● Value preservation ● Value erosion

# STAKEHOLDER ENGAGEMENT AND VALUE CREATION

Stakeholder engagement is vital to our value creation, helping us stay aligned with evolving expectations and market dynamics. Through regular two-way dialogue, we gain actionable insights that enhance our decision-making, enable us to mitigate risks and foster greater trust, collectively propelling our sustainable growth.

|           | Why We Engage                                                                                                                                                                                                                                                                                                                                           | How We Engage                                                                                                                                                                                                                                                                                                                                                                                                                    | Key Concerns Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Risks                                                                                                                                                                                 |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| EMPLOYEES | We engage our people in order to cultivate a high-performing, future-ready workforce that drives our sustainability and success. By fostering a culture of excellence, accountability and inclusivity, we attract, develop and retain the talent needed to achieve this.                                                                                | <ul style="list-style-type: none"> <li>Townhalls</li> <li>Employee focus groups</li> <li>Leaders fireside chats</li> <li>Performance and development check-ins</li> <li>Training programmes</li> <li>Recognition programmes</li> <li>Cross market forums</li> <li>Employee engagement events</li> </ul>                                                                                                                          | <ul style="list-style-type: none"> <li>More inclusive and supportive workplace culture</li> <li>Attraction and retention of skilled talent</li> <li>Workforce resilience in the face of rapid change</li> <li>Relevance of skills amid digital and technological shifts</li> </ul>                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>Lower morale</li> <li>High turnover rates, especially at mid-level</li> <li>Increased hiring and training cost</li> </ul>                      |
| CUSTOMERS | We engage with our customers to gain a deeper understanding of their operating environment, challenges and priorities. The insights we gain help us develop tailored solutions. By adopting a customer-centric approach to business, we improve customer experience, drive retention and advocacy, and build a stronger foundation for long-term value. | <ul style="list-style-type: none"> <li>Face-to-face meetings with business managers</li> <li>Business-to-business (B2B) communication channels</li> <li>Digital communications (in-house customer platforms and social media)</li> <li>Visits to branches and after-sales centres</li> <li>Trade shows, exhibitions and product launches</li> <li>Customer relationship programmes</li> <li>Customer product training</li> </ul> | <ul style="list-style-type: none"> <li>Supply assurance, including inventory lead times and product availability</li> <li>Performance and readiness of our machinery</li> <li>Availability and quality of our after-sales service, including value-added offerings</li> <li>Availability of low-carbon products and solutions</li> <li>Affordability and total cost of ownership</li> <li>Regulatory compliance, with specific focus on health, safety and environment (HSE)</li> </ul> | <ul style="list-style-type: none"> <li>Loss of market share</li> <li>Loss of customer loyalty, trust and confidence in our products</li> <li>Reduction in repeat purchases</li> </ul> |

## Frequency of Engagement:

D Daily
 W Weekly
 M Monthly
 T Every 2 Months
 H Half Yearly
 Q Quarterly
 A Annually
 R As Required

| Opportunities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Our Response/Value Creation Initiatives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | How We Measure Value                                                                                                                                                                                                                                                        | Link To:                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| <b>Value Created for Us</b> <ul style="list-style-type: none"> <li>Improved productivity and service quality</li> <li>Broader and more diverse talent pipeline</li> <li>Effective leadership aligned with our strategic goals</li> </ul> <b>Value Created for Employees</b> <ul style="list-style-type: none"> <li>Stronger sense of community and belonging</li> <li>More capable and agile workforce</li> <li>Healthier workplace culture with better support systems</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>Foster development-focused conversations and identify key talent, strengthening our succession pipeline and supporting career growth</li> <li>Implement our refreshed leadership and performance framework, enhancing leadership effectiveness and organisational performance</li> <li>Deliver structured learning initiatives, including mentoring and graduate programmes, to boost employee capability, engagement and retention</li> <li>Organise engagement activities and celebrate diversity, fostering an inclusive culture and a stronger sense of belonging</li> </ul>                                                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>Employee engagement scores</li> <li>Training effectiveness</li> <li>Retention and attrition rates of key and emerging talent</li> </ul>                                                                                              | <b>Capitals:</b><br><b>Material Matters:</b><br><b>SDGs:</b> |
| <b>Value Created for Us</b> <ul style="list-style-type: none"> <li>Increased earnings and profitability driven by customer-centric innovation, with a focus on digital and low-carbon solutions</li> <li>Sustainable growth supported by repeat businesses and stronger positioning as an end-to-end solutions provider</li> <li>Enhanced brand reputation, customer loyalty and positive testimonials</li> </ul> <b>Value Created for Customers</b> <ul style="list-style-type: none"> <li>Shorter lead times, improved availability of parts and faster after-sales support</li> <li>Enhanced equipment performance and uptime</li> <li>Greater customer satisfaction with tailored, high-quality solutions that meet local standards and safety requirements</li> <li>Support for digital transformation and emissions reduction efforts through targeted solutions</li> </ul> | <ul style="list-style-type: none"> <li>Offer a wide range of B2B and B2C digital solutions</li> <li>Offer low-emissions solutions to support our customers' decarbonisation journeys</li> <li>Strengthen inventory planning and supplier collaboration to improve availability and lead times</li> <li>Maintain physical presence through a broad service network, enabling greater availability of components and more effective customer support</li> <li>Offer low-capital ownership models and providing lifecycle aftersales support to improve customer value</li> <li>Carry out targeted business development and key-account programmes to deepen relationships</li> <li>Engage independent third parties to gather valuable feedback through customer interviews</li> <li>Undertake product trials/demos and feasibility studies with our customers</li> <li>Continuously explore avenues to expand product portfolio to address customer demands and evolving market conditions</li> </ul> | <ul style="list-style-type: none"> <li>Market share</li> <li>Revenue per customer</li> <li>Customer retention and repeat orders</li> <li>Number of referrals from existing customers</li> <li>Order book value</li> <li>Customer satisfaction and loyalty scores</li> </ul> | <b>Capitals:</b><br><b>Material Matters:</b><br><b>SDGs:</b> |



## STAKEHOLDER ENGAGEMENT AND VALUE CREATION

|                         | Why We Engage                                                                                                                                                                                                                                                                                                                                                                                                     | How We Engage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Key Concerns Raised                                                                                                                                                                                                                                                                                                            | Risks                                                                                                                                                                                                                                                                                        |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GOVERNMENT & REGULATORS | We strive to build transparent, trust-based relationships with governments and regulatory authorities across all our markets. Through constructive dialogue, we are better positioned to ensure full compliance with applicable laws and standards, while also securing timely approvals for key initiatives and plans. These efforts safeguard operational continuity and support sustainable, resilient growth. | <ul style="list-style-type: none"> <li>Media releases </li> <li>Reports and briefs </li> <li>Membership in industry associations </li> <li>Participation in boards and working groups </li> <li>Participation in industry forums and events </li> <li>Communication via e-mails and teleconferences, physical and virtual meetings </li> <li>Seminars and conventions </li> </ul> | <ul style="list-style-type: none"> <li>Regulatory compliance, including in relation to safety, employment, tax and the environment</li> <li>Skills availability and trade qualifications</li> <li>Industrial relations</li> <li>Diversity and inclusion</li> <li>Climate change impacts and transition requirements</li> </ul> | <ul style="list-style-type: none"> <li>Legal penalties or fines for non-compliance</li> <li>Disruption to operations from revoked licences, stop-work orders or asset seizures</li> <li>Reputational damage and brand risk</li> </ul>                                                        |
|                         | The media plays a crucial role in shaping public perception and serves as a vital conduit for sharing timely and accurate information with our stakeholders. Through active engagement, we ensure transparency, counter misinformation and build trust.                                                                                                                                                           | <ul style="list-style-type: none"> <li>Media releases </li> <li>Media interviews </li> <li>Media briefing sessions </li> <li>Media engagement events </li> <li>Website/web-based platforms </li> <li>Social media </li> <li>Response to queries </li> </ul>                                                                                                         | <ul style="list-style-type: none"> <li>Information on our operational and financial performance</li> <li>Clarity on our strategic direction and response to emerging trends</li> <li>Our perspectives on economic, industry and sustainability issues</li> </ul>                                                               | <ul style="list-style-type: none"> <li>Reputational damage from inaccurate or misleading reporting</li> <li>Erosion of stakeholder confidence due to information discrepancies or misinterpretation</li> <li>Negative media sentiments influencing investor and public perception</li> </ul> |

| Opportunities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Our Response/Value Creation Initiatives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | How We Measure Value                                                                                                                                                                                                                                                                                                                                                              | Link To:                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Value Created for Us</b></p> <ul style="list-style-type: none"> <li>Clarity on regulatory requirements and faster approvals due to ongoing dialogue with authorities</li> <li>Strong market presence from maintaining operating license</li> <li>Lower compliance risk and cost, reducing fines and minimising operational disruptions</li> <li>Access to policy and market insights that inform strategy and capital allocation</li> <li>Access to skills and transition programmes, including trade qualifications and climate incentives, that support compliance and enhance capabilities</li> </ul> <p><b>Value Created for Government &amp; Regulators</b></p> <ul style="list-style-type: none"> <li>Economic contributions through taxes paid, employment and supplier opportunities, community investments and more</li> <li>Upskilling of the local workforce through accredited training organisations and development programmes</li> <li>Improved regulatory compliance and safety through transparent practices and reporting</li> <li>Access to market and operational insights that inform government policies and standards</li> </ul> | <ul style="list-style-type: none"> <li>Participate in discussions with government, regulatory bodies, and industry associations on key policy developments, and support the implementation of relevant legislations</li> <li>Ensure that our internal compliance measures are fully aligned with local and international regulations</li> <li>Implement graduate, scholar, trainee and apprenticeship programmes to strengthen and upskill the local workforce</li> <li>Embed diversity and inclusion across all aspects of our operations</li> </ul> | <ul style="list-style-type: none"> <li>Compliance with regulatory requirements</li> <li>Timeliness and success in securing regulatory approvals</li> <li>Number and value of regulatory fines, penalties, or disputes</li> <li>Continuity of operating licences (e.g. suspensions or stop-work orders)</li> <li>Representation and leadership roles in industry bodies</li> </ul> | <p><b>Capitals:</b></p>  <p><b>Material Matters:</b></p>  <p><b>SDGs:</b></p>        |
| <p><b>Value Created for Us</b></p> <ul style="list-style-type: none"> <li>Stronger brand equity and corporate reputation</li> <li>Positive media positioning as a responsible and future-ready business</li> <li>Increased stakeholder trust and visibility across key markets</li> </ul> <p><b>Value Created for Media</b></p> <ul style="list-style-type: none"> <li>Access to reliable and timely information about our operations and performance</li> <li>Enhanced public understanding of our sustainability and growth strategies</li> <li>Improved confidence in Sime as a transparent and trusted brand</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>Maintain good rapport with the media and leveraging on the media as an effective platform</li> <li>Engage media stakeholders to ensure up-to-date and accurate information</li> <li>Build trust and credibility with customers, investors, potential employees and other key stakeholders</li> </ul>                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>Volume and quality of media coverage</li> <li>Media sentiment and tone analysis</li> </ul>                                                                                                                                                                                                                                                 | <p><b>Capitals:</b></p>  <p><b>Material Matters:</b></p>  <p><b>SDGs:</b></p>  |

## STAKEHOLDER ENGAGEMENT AND VALUE CREATION

|                    | Why We Engage                                                                                                                                                                                                                                                                                                                                                                       | How We Engage                                                                                                                                                                                                                                                                                                                                                                                             | Key Concerns Raised                                                                                                                                                                                                                                                                                                                                                                                                                        | Risks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SUPPLIERS/PARTNERS | We work closely with suppliers and partners to ensure inputs meet the highest quality and safety standards. As our supplier network expands, alignment on standards is essential to meeting customer expectations. Collaboration also drives cost-efficiency, reduces lead times, enhances sustainability and fosters the co-development of innovative solutions for shared growth. | <ul style="list-style-type: none"> <li>Principal OEM advisory boards and leadership tables</li> <li>Country and market level meetings</li> <li>Business reviews</li> <li>Ad-hoc engagements</li> <li>OEM conferences</li> <li>Physical and virtual briefings</li> <li>Structured engagements with principals</li> </ul>  | <ul style="list-style-type: none"> <li>Brand reputation</li> <li>Business growth and prospects</li> <li>Availability of products to meet market demand</li> <li>Development of low-emissions solutions and strategies to meet evolving customer requirements</li> <li>Health, safety and regulatory compliance</li> <li>Digital integration and platform connectivity</li> </ul>                                                           | <ul style="list-style-type: none"> <li>Supply chain disruptions, including shortages and logistics delays</li> <li>Health, safety or environmental incidents and non-compliance, leading to legal or reputational damage</li> <li>Misalignment in expectations, approvals, and timelines, resulting in waste, rework and delays</li> <li>Inability to adapt to evolving customer expectations, market conditions or effectively convey our value proposition</li> <li>Weak brand or product advocacy from suppliers, undermining our ability to convey value</li> <li>Suspension of brand representation or channel status</li> <li>Risk of suppliers suspending representation or switching to competitors</li> </ul> |
|                    |                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                    |                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| INVESTORS          | We engage our investors to promote transparency, build trust and strengthen our reputation. By providing clear and comprehensive insights into our performance and strategies, we demonstrate our commitment to good governance and reinforce our standing in the capital market.                                                                                                   | <ul style="list-style-type: none"> <li>Corporate investor day</li> <li>Analyst briefings</li> <li>Investor conferences</li> <li>Investor roadshows (local and overseas)</li> <li>Vehicle assembly plant visits</li> <li>Test drives</li> <li>Investor meetings</li> </ul>                                              | <ul style="list-style-type: none"> <li>Impact of margin compression on Sime Industrial in Australia and our response</li> <li>Challenges facing Sime Motors in China and our action plans to turn around the business</li> <li>Response to issues affecting Sime UMW, including turnaround plans for the lubricants business and divestment of non-core businesses</li> <li>Impacts of business developments on dividend payout</li> </ul> | <ul style="list-style-type: none"> <li>Share price volatility and higher cost of capital due to weak communication</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|                    |                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                    |                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| COMMUNITY          | Community engagement is key to building long-term social and business resilience while nurturing inclusive growth. It helps us strengthen trust with our local communities and aligns with our commitment to sustainability and responsible corporate citizenship.                                                                                                                  | <ul style="list-style-type: none"> <li>Community outreach programmes and volunteering initiatives</li> <li>Strategic partnerships with YSD, NGOs and government bodies</li> <li>Ad-hoc engagements based on community needs</li> </ul>                                                                                                                                                                    | <ul style="list-style-type: none"> <li>Social and environmental impacts of our operations</li> <li>Support for local community development</li> <li>Community expectations for long-term, meaningful impact</li> </ul>                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>Reputational damage if initiatives fall short of community expectations or are not delivered</li> <li>Potential resistance or lack of support from communities due to inadequate engagement</li> <li>Reduced effectiveness without robust impact measurement</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                         |
|                    |                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                    |                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

| Opportunities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Our Response/Value Creation Initiatives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | How We Measure Value                                                                                                                                                                                                                                                                                                                                                                                                                                         | Link To:                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| <p><b>Value Created for Us</b></p> <ul style="list-style-type: none"> <li>Maintaining a strong portfolio of world-leading brands and a highly competitive, future-ready product offering</li> <li>Driving consistent growth in market share, earnings and profitability, while improving capital efficiency</li> <li>Strengthening supply assurance and accelerating time-to-market through deeper partner integration</li> <li>Expanding our geographical footprint by building new partnerships</li> </ul> <p><b>Value Created for Suppliers/Partners</b></p> <ul style="list-style-type: none"> <li>Enhanced brand reputation and customer satisfaction, supported by our strong regional presence</li> <li>Expanded market access and share through our wide distribution network and customer base</li> <li>Sustained business growth enabled by our focus on operational excellence</li> <li>Data-driven insights that improve demand visibility and guide product and channel decisions</li> <li>Consistent compliance with regulations, Health, Safety and Environment (HSE) standards and risk management across all markets</li> </ul> | <ul style="list-style-type: none"> <li>Meet or exceed OEM performance targets while upholding best practices and adherence to brand, quality and compliance standards</li> <li>Co-develop products and solutions to address changing customer demands and market conditions</li> <li>Conduct joint business planning and performance reviews</li> <li>Engage with local industries through the Vendor Development Programme (VDP)</li> <li>Invest in technologies and systems that drive operational efficiencies</li> <li>Implement shared demand planning and inventory management programmes to strengthen supply assurance</li> <li>Integrate digital platforms to enhance supplier and partner engagement and improve operational efficiency</li> <li>Reinforce Health, Safety and Environment (HSE) standards through audits, training and incident-prevention initiatives</li> <li>Drive sustainability across the supply chain to benefit both the industry and local suppliers</li> </ul> | <ul style="list-style-type: none"> <li>OEM recognition and awards</li> <li>Representation on OEM dealer advisory boards</li> <li>Dealer rankings and standings</li> <li>Performance in OEM dealer excellence programmes</li> <li>Customer satisfaction, market share, operational efficiency and other key metrics</li> <li>Responsiveness of after-sales service and backend support</li> <li>Frequency and severity of supply chain disruptions</li> </ul> | <p><b>Capitals:</b></p> <p><b>Material Matters:</b></p> <p><b>SDGs:</b></p> |
| <p><b>Value Created for Us</b></p> <ul style="list-style-type: none"> <li>Maintaining our prominent position in the Malaysian business community by consistently ranking within the top 30 of the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI)</li> <li>Sustained access to the capital markets</li> </ul> <p><b>Value Created for Investors</b></p> <ul style="list-style-type: none"> <li>Good dividend yield</li> <li>Strong balance sheet</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>Adapt to consumer preferences and diversifying our brand portfolio to include EVs, internal combustion engine (ICE) vehicles and hybrids, enabling us to meet evolving market demands</li> <li>Monitor market trends and manage overheads effectively, thereby ensuring operational efficiency and financial stability</li> <li>Leverage innovation and digitalisation to reduce our environmental footprint and support our sustainability goals</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>Total Shareholder Return (TSR)</li> <li>Return on Equity (ROE)</li> <li>Percentage of foreign shareholding in Sime</li> <li>Share price growth</li> </ul>                                                                                                                                                                                                                                                             | <p><b>Capitals:</b></p> <p><b>Material Matters:</b></p> <p><b>SDGs:</b></p> |
| <p><b>Value Created for Us</b></p> <ul style="list-style-type: none"> <li>Enhanced brand reputation and increased stakeholder confidence</li> <li>Strengthened community relationships</li> <li>Improved operational resilience</li> <li>Increased employee morale and sense of purpose through volunteerism</li> </ul> <p><b>Value Created for Community</b></p> <ul style="list-style-type: none"> <li>Enhanced community well-being and livelihoods supported</li> <li>Increased community resilience and inclusivity</li> <li>Improved education and skills development through greater access to learning opportunities</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>Support conservation efforts, raising environmental awareness and promoting environmentally sustainable practices</li> <li>Provide scholarships and learning support to improve education outcomes and enhance employability</li> <li>Support basic needs, humanitarian aid, health and safety, diversity and inclusion and national unity through community programmes, employee volunteering and partnerships with YSD, NGOs and local authorities</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>Total investment and number of beneficiaries reached</li> <li>Measurable impact of programmes on local livelihoods</li> <li>Level of community participation and positive feedback</li> </ul>                                                                                                                                                                                                                         | <p><b>Capitals:</b></p> <p><b>Material Matters:</b></p> <p><b>SDGs:</b></p> |

## MATERIAL MATTERS

Material matters are the key Economic, Environmental and Social (EES) factors that impact our ability to create sustainable value for stakeholders over the short, medium and long term. Identifying and prioritising these matters ensures our strategies remain aligned with stakeholder expectations and support enduring business resilience. With ongoing management oversight, we can respond proactively to emerging risks and opportunities across our value chain, have informed decision-making and the ability to reinforce our commitment to sustainable growth and long-term business success.

### MATERIALITY PROCESS

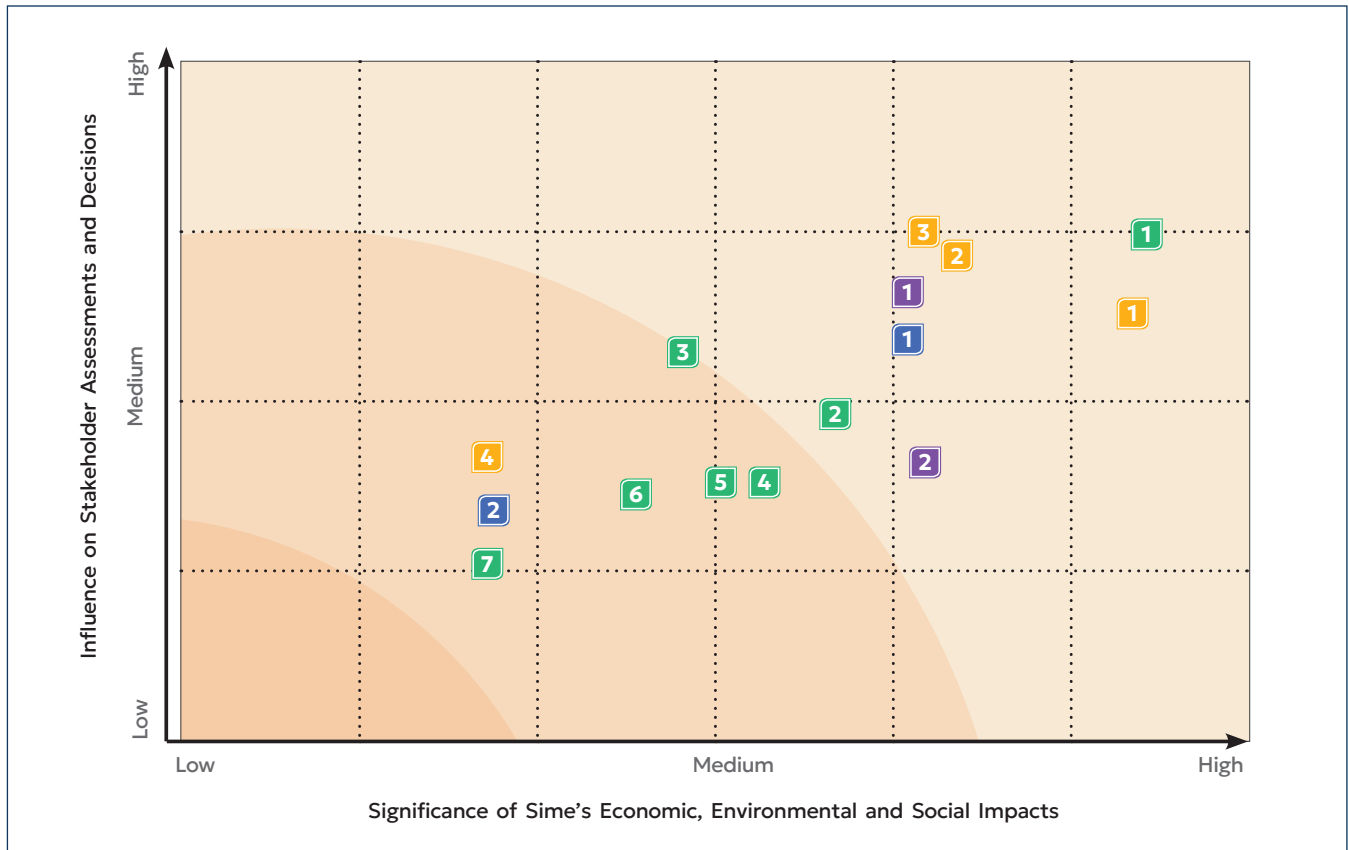
We conduct a full materiality assessment every two years, with interim reviews to ensure our sustainability priorities remain relevant. In FY2025, we conducted a full materiality assessment with a refined stakeholder engagement approach to address evolving management expectations and capture emerging market themes. Matters were prioritised using internal survey feedback and senior management workshops, with the key output represented by a materiality matrix.

### MAPPING OUR MATERIAL MATTERS





### Sime Darby Berhad's Materiality Matrix



Sime's Materiality Matrix plots 15 material matters across influence and impact dimensions and uses the Sustainability Blueprint Themes for categorisation.

#### Material Matters by Sustainability Blueprint Themes

##### Theme 1: Optimising Our Environmental and Social Footprint

- |                                   |                                 |                    |
|-----------------------------------|---------------------------------|--------------------|
| 1 Health and Safety               | 4 Climate Change                | 6 Diversity        |
| 2 Energy and Emissions Management | 5 Waste and Effluent Management | 7 Water Management |
| 3 Labour Practices                |                                 |                    |

##### Theme 2: Inspiring Our Employees to Deliver Meaningful Change

- |                                     |                                           |
|-------------------------------------|-------------------------------------------|
| 1 Employee Training and Development | 2 Community Contributions and Development |
|-------------------------------------|-------------------------------------------|

##### Theme 3: Engaging in Sustainable Partnerships

- |                         |                                  |
|-------------------------|----------------------------------|
| 1 Business Continuity   | 3 Business Ethics and Compliance |
| 2 Customer Satisfaction | 4 Responsible Supply Chain       |

##### Theme 4: Driving Sustainable Innovation and Technology

- |                             |                                |
|-----------------------------|--------------------------------|
| 1 Data Privacy and Security | 2 Sustainable Product Offering |
|-----------------------------|--------------------------------|

For further details on our sustainability risks, initiatives and achievements, please refer to the Creating Sustainable Value section on pages 64 to 89 of this report.

# BUSINESS ENVIRONMENT

## GLOBAL ECONOMIC REVIEW & OUTLOOK

In FY2025, Malaysia remained a key market for Sime, contributing 35% of revenue, supported by strong consumer demand and robust automotive sales. China faced more challenging conditions, with growth moderating relative to prior years, while still contributing a material 22% to the Group's revenue. At the same time, resilient demand for commodities tied to the global energy transition and infrastructure investment continued to underpin Sime Industrial's performance. Our diversified footprint across Asia Pacific reduces reliance on any single market, providing resilience while creating pathways for long-term growth.

### MALAYSIA

#### Overview

Malaysia's GDP grew to 5.1% in 2024, rebounding from 3.6% in 2023, supported by resilient domestic demand, private investment and exports. Growth remained steady in the first half of 2025 at 4.4%. In July 2025, Bank Negara Malaysia lowered the Overnight Policy Rate (OPR) to 2.75% to spur business investment and consumer spending amid softening global growth and ongoing trade uncertainties. Foreign direct investment (FDI) inflows remained robust, led by the electrical and electronics (E&E) sector and accelerating data centre developments.

#### Impact

Strong domestic demand continued to support Malaysia's automotive market, where we benefited from our participation across both mass market and premium brands. Meanwhile, infrastructure spending and inflows of FDI underpinned demand for equipment and power solutions across key sectors, supporting the performance of our Industrial division.

#### Prospects

While ongoing global trade tensions and geopolitical risks may weigh on export activity, Malaysia is well-positioned to benefit from the global technology cycle and continued investment in digital infrastructure and advanced manufacturing. Moreover, since the automotive industry's total industry volume (TIV) reached a record high of over 800,000 units in 2024, the Malaysian Automotive Association (MAA) is projecting a moderation to around 780,000 units in 2025.

### AUSTRALIA

#### Overview

Australia's economy expanded to 1.0% in 2024 but slowed to 0.2% in the first quarter (Q1) of 2025, reflecting broader global trade uncertainties and more cautious business sentiment. While inflation has moderated and private investment has stabilised, tight labour markets and mixed external demand continued to weigh on growth. Public investment remains resilient, particularly in transport and renewable energy, with further momentum expected in the lead-up to the 2032 Brisbane Olympics.

#### Impact

Australia remains one of the Group's largest contributors. Although economic growth has moderated, demand for commodities continues to support strong performance in the Industrial division. High-grade metallurgical coal and Australia's low-cost position underpin ongoing global demand. As global electrification accelerates, copper demand is expected to double over the next 10 to 15 years, and Australia, holding the second-largest copper reserves globally, is well placed to benefit. In the Motors division, performance softened in line with market conditions, although product support and aftersales continue to provide earnings resilience.

#### Prospects

Australia's outlook remains positive, supported by robust resource exports and sustained infrastructure investment. Demand for specialised equipment and services is expected to grow, driven by major public works, energy transition initiatives and Olympics-related development. While capital investment from miners remains cautious, the Group is well positioned across key commodities and infrastructure sectors to capture long-term growth.

## CHINA

### Overview

China's GDP grew to 5.0% in 2024 and accelerated to 5.3% in the first half of 2025, supported by resilient global demand and continued investment in manufacturing. However, deflationary pressures still persists and the government introduced targeted policy measures to stabilise local government finances and support strategic sectors such as electric vehicles (xEVs), semiconductors and advanced manufacturing. However, the property sector remains subdued and demographic shifts and weaker consumer confidence continue to weigh on domestic consumption.

### Impact

China remains a key market for the Group. In the Motors division, intense competition and sustained price discounting have weighed on margins, despite steady sales volumes. Moreover, the growing presence of domestic OEMs across both automotive and equipment sectors is reshaping the market and challenging foreign brands. The Industrial division continues to manage these shifts while identifying growth opportunities, supported by ongoing cost and operational efficiencies.

### Prospects

While short-term conditions remain mixed, China's long-term fundamentals, including a growing consumer base and advanced manufacturing, continue to present opportunities. The Group remains committed to the market, with a disciplined approach to portfolio management while implementing initiatives to consolidate our businesses.

#### Note:

Macro indicators such as GDP growth is sourced from local Government documents.

## KEY MARKET TRENDS

### 1 Evolving automotive policies and regulations in China and Malaysia

#### Outlook

- Automotive markets in Malaysia and China are undergoing significant regulatory and structural changes.
- In Malaysia:
  - The planned removal of BEV road tax exemptions and the expiry of import and excise duty exemptions for Completely Built-Up (CBU) BEV by end-2025 could dampen consumer interest, especially as the country struggles to meet its electrification adoption targets.
  - Additional measures like changes to Open Market Value (OMV) calculations are expected to raise vehicle ownership costs and suppress demand.
- In China:
  - Competition continues to intensify as domestic automakers benefit through subsidies and protectionist measures.
  - Industry consolidation is also accelerating, increasing competitive pressure and challenging foreign market share.
  - While unit sales are rising, there is growing scrutiny over how figures are reported, and aggressive price wars, particularly in the xEV segment, are squeezing margins for many brands.

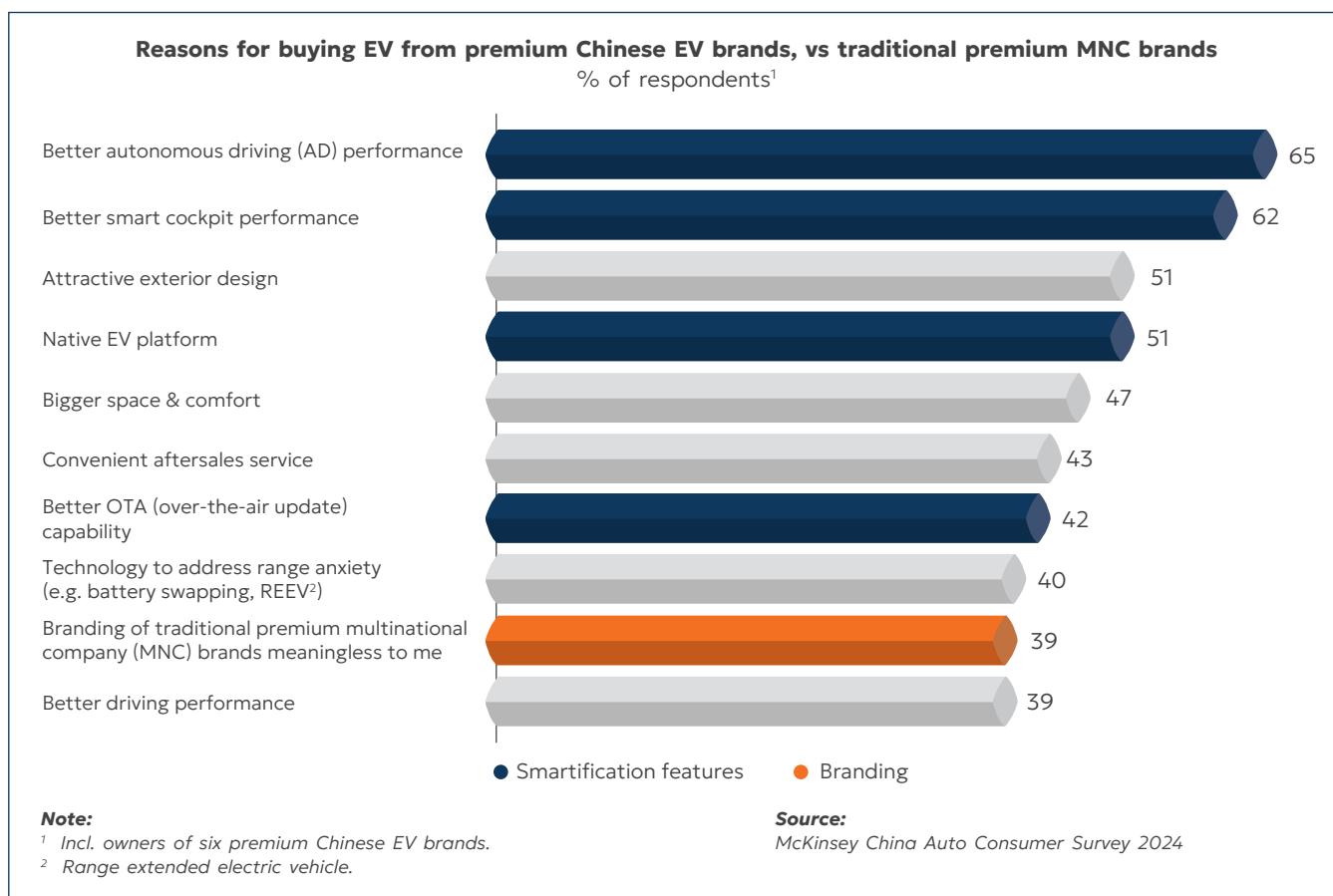
#### Our response

- Leveraging our wide geographic footprint to adapt to shifting market trends at varying speeds across regions.
- Maintaining a diversified presence across all market segments, from mass market to premium, with a broad brand and powertrain portfolio to balance exposure.
- Consolidating China operations to enhance efficiency and implement cost rationalisation.
- Engaging actively with local government agencies to influence policy and provide feedback.
- Focusing on profit-driving initiatives and improving returns.
- Protecting dominant market share through strategic initiatives.

## BUSINESS ENVIRONMENT

### KEY MARKET TRENDS

#### 2 Changing consumer preferences challenging traditional premium brands in the automotive sector, especially in China



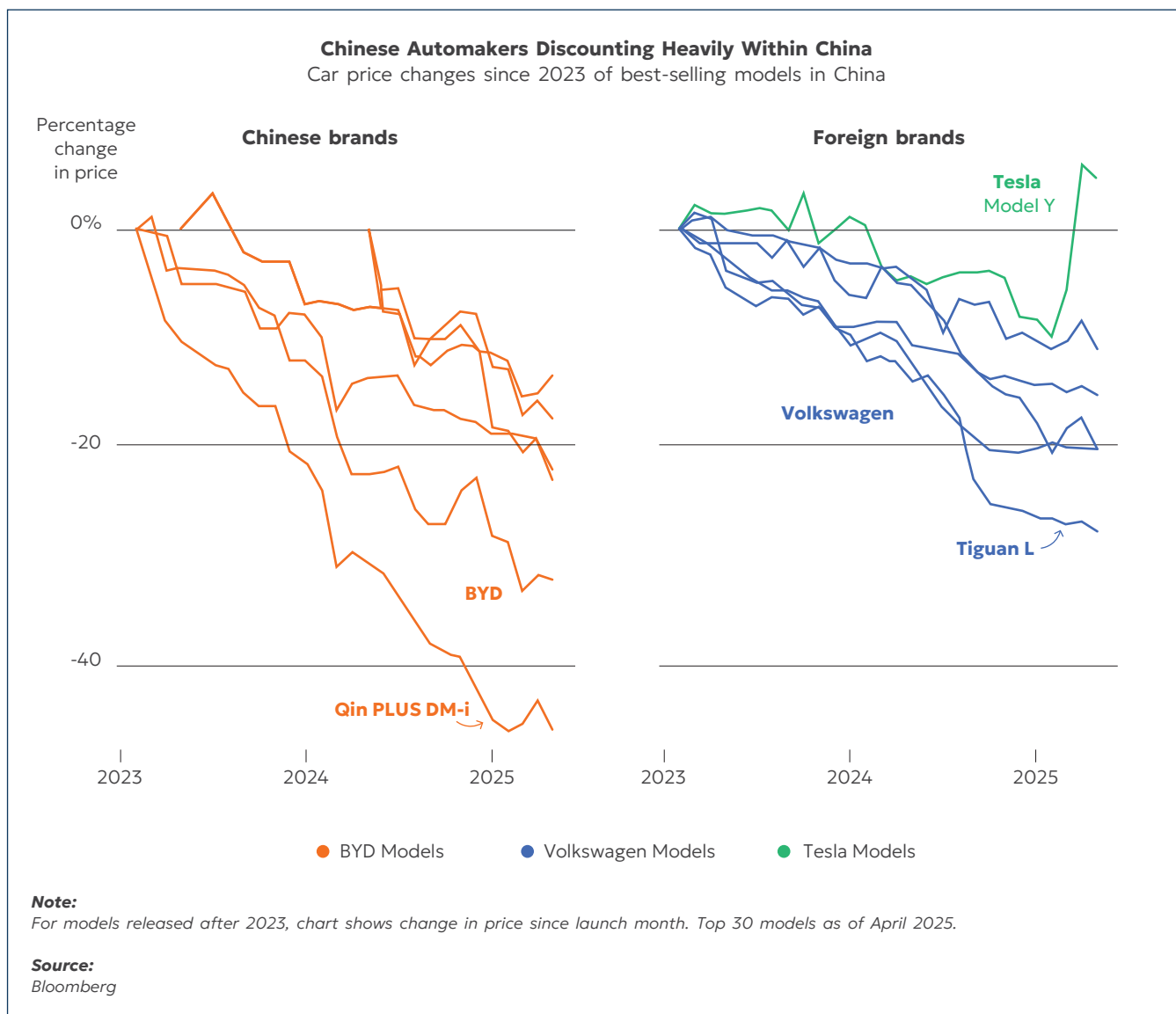
#### Outlook

- Traditional “premium” brands are being challenged by emerging brands who offer alternative driving experiences.
- Chinese consumers, especially millennials and Gen Z, are increasingly prioritising smart, safe, connected and fuel-efficient vehicles.
- Digital features and in-car tech often matter more than brand or performance, with cars viewed as lifestyle products or digital extensions.
- Resale value is less important, while many consumers are highly receptive to new automotive technologies, with strong interest in autonomous driving and willingness to pay for over-the-air updates.

#### Our response

- Optimising the performance of our BMW dealerships, while growing adjacent services such as parts, after-sales and warranties.
- Utilising a multi-brand strategy to meet evolving customer needs, with a portfolio that spans internal combustion engine (ICE), hybrid and electric vehicles, reflecting our view that the transition will occur at varying speeds across markets.
- Leveraging our geographical diversity and presence across the full automotive value chain, from assembly to used cars and fleet services to access broader profit pools and cushion against shifting market trends.
- Appointed as official importer for Denza (BYD’s premium brand) in Malaysia and secured dealership in Malaysia and Singapore.
- Continuing to introduce competitively priced new and attractive models to further strengthen our position in the markets we operate in.
- Working with BMW on the launch of Neue Klasse, the brand’s new EV platform, tailored to evolving consumer preference for advanced digital features, autonomous driving and smart cockpit performance.
- Supporting BMW as it executes its “In-China” strategy of localising production, accelerating electrification and enhancing digital offerings to meet evolving premium consumer preferences.

### 3 Challenging market dynamics in China's automotive sector



#### Outlook

- Rising debt levels and a real estate correction have led to low consumer sentiment, resulting in a subdued environment.
- Although sales have increased over the last few years, margins are declining due to overproduction and intense competition leading to discounting among auto players.
- The central government has introduced measures to stabilise market conditions. These may support capacity rationalisation and help stabilise margins, indicating an adjustment in industrial policy.

#### Our response

- Consolidating our position in China in view of the economic slowdown to enhance operational efficiency and implement cost rationalisation initiatives.
- Monitoring shifting consumer trends, particularly in the xEV segment, while aligning our offerings to support areas of growing demand.
- Working closely with our principals to navigate the evolving landscape and identify opportunities for sustainable growth.



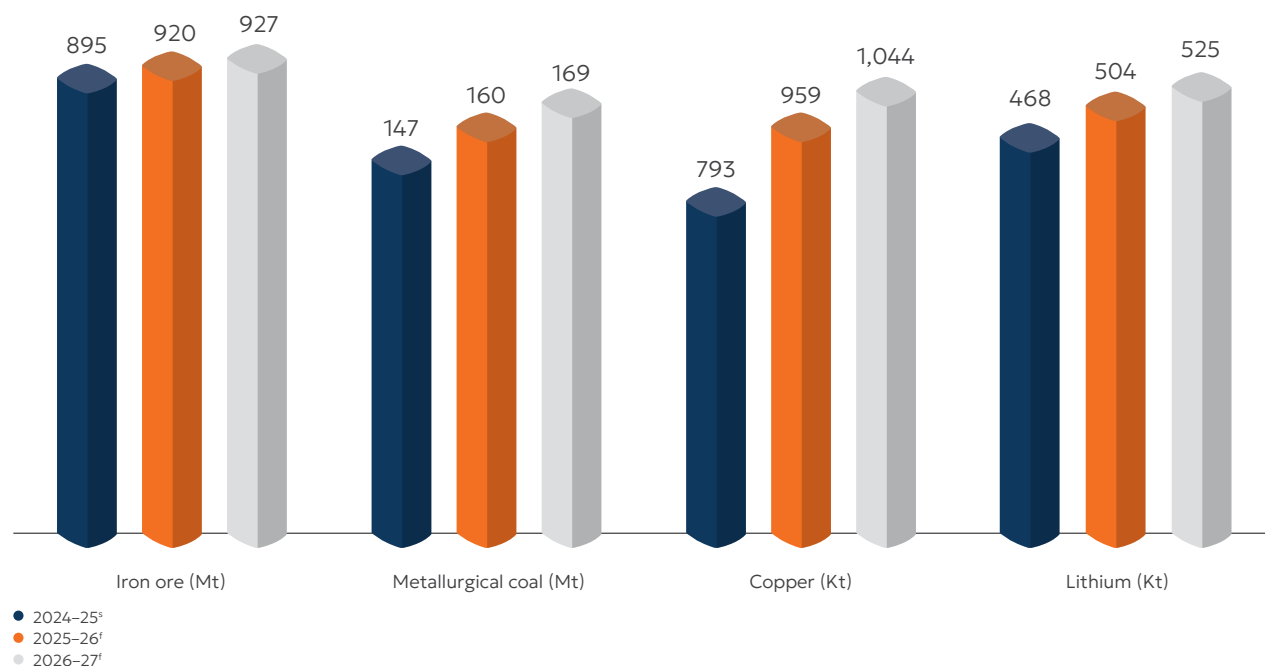
## BUSINESS ENVIRONMENT

### KEY MARKET TRENDS

#### 4 Growth in critical minerals to support the energy transition

Australia's resource and energy exports, selected commodities

#### Export Volumes



**Notes:**

*f* forecast  
*s* estimate

**Source:**

Australia Government Department of Industry, Science and Resources - Resources and Energy Quarterly: June 2025.

#### Outlook

- The demand for copper is expected to double over the next 10 to 15 years due to increasing electrification, favouring Australia with the second largest reserves globally.
- Australia remains a key global supplier of critical minerals, including copper and lithium, which are essential for electrification and clean energy technologies.
- Commodity export volumes of metallurgical coal and iron ore are expected to continue to be driven by Asia Pacific's strong infrastructure pipeline and growing economic position.

#### Our response

- Capitalising on our favourable position, we are meeting the rising demand for critical minerals across Asia Pacific, with Australia at the forefront in iron ore, metallurgical coal and copper production and strengthening exports of other key minerals.
- Leveraging our acquisition of Cavpower, which has expanded our footprint to the copper basin of Australia, enhancing access to minerals essential for the transition to electrification.
- The acquisition of Onsite enables further commodity expansion and wider geographical coverage.
- Integration of both Cavpower and Onsite into Sime has contributed healthily to the Group's performance.

# ENTERPRISE RISK MANAGEMENT

In an increasingly complex and uncertain operating environment, effective risk management has become a critical enabler for us to safeguard performance while capturing new opportunities. Global markets in FY2025 continued to be shaped by structural shifts, from rapid advancements in digital and artificial intelligence, to intensifying competition in the automotive sector and heightened stakeholder expectations on sustainability. For us, navigating these dynamics requires more than operational agility; it calls for a disciplined and integrated approach to enterprise risk management (ERM) that ensures resilience and supports long-term growth.

Throughout FY2025, the Group advanced several initiatives to reinforce its risk and compliance focus across all businesses. Key enhancements to governance structures, tools and processes have positioned risk management as a critical enabler of Sime's long-term strategy. These measures not only provide strong checks and balances but also strengthen organisational resilience against global uncertainties, climate-related challenges, rapid digital disruptions and unforeseen events, ensuring that Sime remains well-placed to safeguard value while pursuing sustainable growth.

## ASSESSMENT OF CLIMATE CHANGE RISKS & OPPORTUNITIES

Against this backdrop, climate change has emerged a key risk area where its potential impact extends beyond environmental considerations, with potential implications for financial performance, operations, supply chains and reputation. Consumers are accelerating their shift toward low-carbon mobility, regulators are tightening disclosure requirements and physical disruptions from extreme weather events are becoming more frequent. Sime recognises that responding to climate change is not only a compliance requirement but also a strategic necessity to protect and create long-term value.

Sime's climate change risk assessment approach focuses on evaluating how both physical and transition risks may impact the group's operations, assets and value chains. In FY2025, the Group implemented several initiatives as part of its framework to enhance disclosure of climate-related financial risks. These efforts underscore the importance of establishing a clear governance structure, strengthening processes for identifying and managing climate-related risks and embedding these considerations into our existing ERM framework.



### Establishment of governance structure for managing climate-related risks

- The Risk Management and Sustainability Committee (RMSC) provided oversight and monitoring of climate-related risks.
- Group Risk & Compliance (GRC) supported the RMSC by implementing policies and processes to identify, assess and monitor climate-related risks.



### Development of policies and processes to strengthen climate-related risk management

- Introduced a Climate Change Risk Assessment (CCRA) Guideline to provide our risk practitioners with structured, step-by-step guidance for assessing climate risks.



### Assessment of organisational resilience against climate change risks and opportunities through climate scenario analysis

- Engaged external climate experts to build internal capabilities on assessment techniques and analytical tools.
- Conducted qualitative climate scenario analysis covering physical and transition risks across three climate scenarios and time horizons.
- The "Top-Down" analysis provided an overview of our broad exposure to climate risks and opportunities, setting the foundation for future quantitative analysis.



### Integration of climate-related risk management into ERM

- Climate-related risks identified through the CCRA are cascaded to the business via Divisional Risk & Compliance Managers for quarterly assessment and monitoring.
- Progressively quantify potential financial exposures and value-at-risk to strengthen decision-making and resilience planning.



For more details of our initiatives, please refer to the Risk Management and Sustainability Committee Report on pages 127 to 133.

## ENTERPRISE RISK MANAGEMENT

### GROUP'S TOP KEY RISKS

In a landscape shaped by geopolitical uncertainties, shifting economic conditions and rapid technological change, we have identified the following key risks that are most significant to the Group. These risks are closely monitored through a disciplined risk management approach that reinforces resilience and safeguards our ability to deliver on our strategic priorities. By anticipating and addressing these exposures, we seek not only to protect profitability but also to create long-term value and sustain growth in an evolving business environment.

- |                                       |                                               |
|---------------------------------------|-----------------------------------------------|
| <b>1</b> Market Dynamics              | <b>6</b> Health, Safety and Environment (HSE) |
| <b>2</b> Business Partners            | <b>7</b> Cybersecurity                        |
| <b>3</b> Disruption                   | <b>8</b> ESG – Climate Change                 |
| <b>4</b> Mergers and Acquisitions     | <b>9</b> People and Culture                   |
| <b>5</b> Product and Service Delivery | <b>10</b> Regulatory Compliance               |

#### **1** MARKET DYNAMICS

We operate in markets exposed to economic cycles, currency fluctuations and geopolitical uncertainties, particularly in key markets such as China, Australia, New Zealand and Malaysia. These factors can dampen consumer sentiment and demand, leading to revenue volatility, tighter margins and intensified competition.

##### **Mitigation**

Investment strategies are aligned with the Group's risk appetite, diversification reduces over-concentration, and strengthened customer and principal relationships enhance product offerings and competitiveness.

#### **2** BUSINESS PARTNERS

Our trading operations remain highly dependent on key principals and partners whose strategies and performance directly affect us. Any disruption in supply, withdrawal of support or over-reliance on single customers could materially impact revenue streams.

##### **Mitigation**

We maintain close and proactive engagement with our principals and business partners, diversify partnerships where feasible and consistently deliver strong performance to reinforce long-term support.

#### **3** DISRUPTION

The automotive industry is undergoing fundamental shifts, with electrification accelerating globally, vehicle models evolving rapidly and new entrants from China intensifying competition. These trends, while presenting growth opportunities, also reduce after-sales revenue and demand new capabilities, infrastructure and strategic positioning.

##### **Mitigation**

We broadened our EV portfolio, invested in charging infrastructure and after-sales capabilities, and deepened OEM partnerships. We also enhanced customer engagement, improved service quality and strengthened our brand positioning to remain competitive against both established and emerging players.

#### **4** MERGERS AND ACQUISITIONS

Strategic transactions are integral to our growth but carry inherent risks. Challenges such as unrealised synergies, integration difficulties and misalignment with our strategy may dilute expected returns and weaken long-term value creation.

##### **Mitigation**

We apply rigorous due diligence, adhere to governance protocols and deploy dedicated integration teams to ensure smooth assimilation and alignment with the Group's strategy and culture.

## 5 PRODUCT AND SERVICE DELIVERY

Timely availability of products and services is critical to customer satisfaction and brand reputation. Supply chain disruptions, delivery delays or quality issues could result in lost sales, penalties and customer attrition.

### Mitigation

We strengthen inventory planning and monitoring of OEM delivery schedules, while contractual safeguards and contingency measures help mitigate potential supply chain disruptions.

## 6 HEALTH, SAFETY, AND ENVIRONMENT

Nothing is more important than ensuring our people go home safe each day. Our diverse operations carry health, safety, security and environmental exposures, where incidents could cause serious injury, disrupt operations or damage reputation. Growing regulatory and stakeholder expectations also heighten the need for effective risk management and sustainable practices.

### Mitigation

We apply a Group-wide HSSE Management System, supported by our SELF safety culture programme, Life-Saving Commitments and layered assurance through audits, verifications and leadership reviews. Environmental management covers permits, waste, water stewardship and incident preparedness, while dashboards, reporting and trend analysis drive continuous improvement.

## 7 CYBERSECURITY

With increasing reliance on digital platforms and AI, we are exposed to greater cyber risks including data breaches, ransomware and other evolving threats. Such incidents could disrupt business operations, erode customer trust and result in regulatory consequences.

### Mitigation

We continue to strengthen our cybersecurity framework, with advanced monitoring, disaster recovery and incident response protocols tested regularly, complemented by employees training and awareness programmes.

## 8 ESG – CLIMATE CHANGE

Our broad geographical footprint exposes us to physical risks such as extreme weather events and transition risks from regulatory shifts and changing consumer demand. While these risks create challenges, they also open opportunities in clean energy and EV markets.

### Mitigation

We conduct climate scenario analyses, align strategies with emerging regulations and implement a climate change risk assessment guideline across divisions, integrating climate risks into our ERM framework.

## 9 PEOPLE

Talent attraction and retention are critical as we compete for specialised skills required to execute strategies and deliver high-quality services. Staff shortages or high turnover could undermine productivity, succession and long-term growth.

### Mitigation

We strengthen our succession planning, expand training and development initiatives, and invest in apprenticeship and graduate programmes to secure a sustainable talent pipeline.

## 10 REGULATORY COMPLIANCE

Evolving regulatory landscapes across jurisdictions, from anti-bribery laws to data sovereignty requirements, increase compliance demands. Non-compliance could result in penalties, operational disruptions and reputational damage, undermining investor and stakeholder confidence.

### Mitigation

We maintain a robust compliance framework, supported by regular training, continuous monitoring and strong internal controls to uphold integrity and meet regulatory expectations.

## ENTERPRISE RISK MANAGEMENT

### GROUP'S RISK APPETITE STATEMENT

Our Risk Appetite Statement sets the level of risk that the Group is prepared to accept. Approved by the Board and biennially reviewed, it guides a measured and cohesive response to the complex and evolving risk environment that we operate within, ultimately supporting the achievement of our key strategic goals.



In FY2025, the Risk Management and Sustainability Committee (RMSC) monitored the Group's compliance with the established risk appetite framework. The Committee reviewed risk exposures against approved tolerance levels, advised management on areas requiring attention and provided guidance to ensure that risk-taking remained within acceptable parameters and consistent with the Group's strategic objectives.



# OUR 5-YEAR STRATEGY MASTERPLAN

FY2025 marks the second year of our 5-Year Strategy Masterplan to transform Sime, with the ultimate aim of driving sustainable growth and profitability for the Group.

The Masterplan consists of three pillars:



**Operational Excellence**



**Growing the Core**



**Future Ready**

These three pillars work together to strengthen our core, optimise portfolio performance and position the Group for future growth. By executing with discipline across markets and industries, we are maximising long-term returns and creating sustainable value across Asia Pacific.

## OPERATIONAL EXCELLENCE



Driving stronger returns by maximising portfolio performance through disciplined resource management, productivity gains, cost optimisation and margin improvement, ensuring long-term resilience and value creation.

### Key Priorities

- Enhance returns and efficiencies.
- Manage working capital.
- Streamline facilities and drive network optimisation.
- Strengthen operating model performance.
- Accelerate process innovation and digitisation.

### Resource Allocation



Financial Capital



Human Capital



Intellectual Capital

### Initiatives

- Refining business models to improve scalability and agility.
- Maintaining financial discipline through structured debt repayment.
- Improving inventory management to enhance working capital efficiency.
- Driving operational efficiency and cost reductions, including by rationalising our network footprint.
- Rationalising our business portfolio and structure to align with group direction.
- Redesigning our processes and embedding automation to optimise capital efficiency and operations.

### Achievements

- Core Return on Equity (Core ROE): 6.2% (FY2025).
- Long-term core ROE target 11% FY2028, underpinned by stronger contributions from high-margin segments, ongoing network optimisation, and disciplined working-capital management.

### Priorities for FY2026

Driving stronger returns and long-term resilience by focusing on operational discipline and capital efficiency while carrying forward our strategy to:

- Focus on improving ROE through targeted programmes across each division;
- Uphold strict governance around capital allocation, with a continued focus on rigorous investment reviews and returns-led decision-making;
- Reinforce cost discipline through the optimisation of our cost base and network footprint;
- Accelerate digitalisation and process redesign across key functions to unlock productivity and operational efficiency;
- Identify opportunities to scale high-performing businesses and extract greater value from our core segments; and
- Actively review underperforming businesses, with a focus on consolidation and alignment to the Group's long-term strategy.

#### Key Risks



#### Material Matters



#### Stakeholders



## OUR 5-YEAR STRATEGY MASTERPLAN

### GROWING THE CORE



Growing our core businesses by expanding in high-margin segments, strengthening brand and market positions and extending capabilities across the value chain to capture additional profit pools.

#### Key Priorities

- Strategically partner with principals to navigate challenging market dynamics.
- Protect core market position.
- Maximise core market profitability.
- Expand into adjacencies and value chain segments with high margin and 'right to win'.
- Rationalise portfolio around core.

#### Resource Allocation



Financial Capital



Intellectual Capital



Manufactured Capital



Social and Relationship Capital



Human Capital



Natural Capital

#### Initiatives

- Leveraging scale to unlock greater value for strategic partners.
- Maximising profits in core markets.
- Strengthening participation in high-margin segments such as used vehicles, after-sales and assembly.
- Expanding and diversifying rental offerings to capture additional profit pools.
- Broadening product offerings in response to evolving consumer preferences.
- Extending reach across the value chain and into strategic adjacencies.

#### Achievements

- Appointed as official importer for Denza (BYD's premium brand) in Malaysia and secured dealership in Malaysia and Singapore.
- Established Performance Motors Malaysia, a joint venture between Sime Motors and Ingress Auto, both authorised dealers for BMW in Malaysia.
- Acquired HS Roads and Saferoads in Australia to enable Onsite to compete more effectively in the infrastructure fleet and metro area segments.
- Post-UMW acquisition, the Group's portfolio was reshaped to strengthen focus on core segments, with divestments including Hyster in New Zealand, Komatsu and selected Asian dealerships.

#### Priorities for FY2026

Optimising our existing portfolio to drive optimal returns following our recent expansion while carrying forward our strategy of:

- Maximising profitability in core markets, with an emphasis on high-margin segments such as used vehicles, aftersales, assembly and rental services;
- Deepening relationships with our strategic partners, both established and emerging, to enhance our role as their preferred channel-to-market;
- Engaging regularly with key principals, including xEV brands and long-standing OEM partners, supporting alignment and creating opportunities for future growth; and
- Leveraging our scale to unlock greater value across our partner network.

#### Key Risks



#### Material Matters



#### Stakeholders



## FUTURE READY



Positioning for the future by proactively adapting to a changing business landscape, aligning our products and services with emerging trends and positioning the Group to capitalise on new opportunities.

### Key Priorities

- Support and facilitate the energy transition.
- Explore digital revenue streams and invest in digital capabilities.
- Evolve business models to adapt to changing customer behaviours.
- Localise customer experiences across touchpoints and markets.

### Resource Allocation



Financial Capital



Intellectual Capital



Human Capital



Social and Relationship Capital

### Initiatives

- Grow our xEV portfolio through partnerships with established and emerging OEMs and expand participation in used xEV ecosystem.
- Extracting growth from key critical mineral regions via supply of industrial equipment.
- Exploring digital-led revenue opportunities in retail and aftersales.
- Investing in digital platforms and tools to enhance operational efficiency and customer engagement.
- Supporting customers' energy transition activities via provision of power generation offerings, such as cogeneration solutions.
- Working with principals to align on product range, sales channels and future plans.
- Continuously reviewing and adapting portfolio to ensure relevance in a changing market.

### Achievements

- Launched xEV brands in Australia (Polestar) and Malaysia (Denza).
- Launched EV NEXT, Malaysia's first used xEV dealership, as a one stop centre for all used xEVs, offering services ranging from vehicle retail to trade-ins and aftersales support.
- Built more than 15 cogeneration plants using Kawasaki gas turbines while managing long-term service agreements for over 10 plants to date through Sime Industrial.
- Sime Darby Auto Sports Ltd opened its first Porsche Centre in Thailand, with the centre integrating the latest "Destination Porsche" corporate architecture to deliver an elevated customer experience.
- In Singapore, Performance Motors Limited (PML) partnered with GetGo Carsharing (GetGo), Singapore's largest carsharing platform to offer drivers access to the latest BMW models and provide PML Service Customers with better aftersales experience.

### Priorities for FY2026

Positioning the Group for future growth by aligning products and services to emerging demand, while carrying forward our strategy of:

- Expanding our xEV portfolio in partnership with current and emerging OEMs to stay aligned with evolving consumer demand;
- Leveraging the energy transition to open new growth pathways for our Industrial business;
- Supporting customers with power generation solutions, including cogeneration systems, while also capturing growth in critical mineral regions through the supply of heavy equipment; and
- Regularly reviewing our portfolio to ensure our offerings remain current, relevant and well-positioned to capitalise on future opportunities.

#### Key Risks



#### Material Matters



#### Stakeholders



# 5-YEAR FINANCIAL HIGHLIGHTS

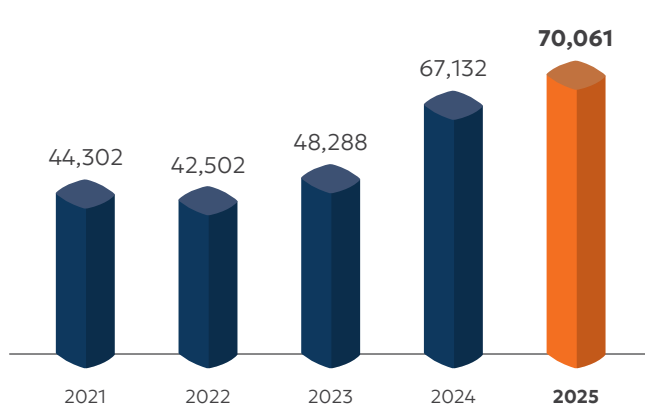
(including Statement of Financial Position)

| Financial Year Ended 30 June (RM million)                       | 2021          | 2022          | 2023          | 2024          | 2025          |
|-----------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>FINANCIAL RESULTS</b>                                        |               |               |               |               |               |
| Revenue*                                                        | 44,302        | 42,502        | 48,288        | 67,132        | <b>70,061</b> |
| Profit before interest and tax*                                 | 2,230         | 1,796         | 2,084         | 2,758         | <b>3,592</b>  |
| Profit before tax*                                              | 2,144         | 1,687         | 1,821         | 2,181         | <b>3,051</b>  |
| Profit after tax – continuing operations                        | 1,571         | 1,213         | 1,337         | 1,483         | <b>2,388</b>  |
| (Loss)/Profit after tax – discontinued operations               | (41)          | (26)          | 175           | 2,046         | <b>9</b>      |
| Profit after tax                                                | 1,530         | 1,187         | 1,512         | 3,529         | <b>2,397</b>  |
| Non-controlling interests and perpetual sukuk                   | (105)         | (84)          | (54)          | (223)         | <b>(336)</b>  |
| <b>Net Profit</b>                                               | <b>1,425</b>  | <b>1,103</b>  | <b>1,458</b>  | <b>3,306</b>  | <b>2,061</b>  |
| <b>Core Net Profit</b>                                          | <b>1,248</b>  | <b>1,195</b>  | <b>1,154</b>  | <b>1,316</b>  | <b>1,167</b>  |
| <b>FINANCIAL POSITION</b>                                       |               |               |               |               |               |
| Share capital                                                   | 9,302         | 9,318         | 9,330         | 9,330         | <b>9,330</b>  |
| Reserves                                                        | 6,581         | 6,692         | 7,596         | 10,036        | <b>9,874</b>  |
| Shareholder's equity                                            | 15,883        | 16,010        | 16,926        | 19,366        | <b>19,204</b> |
| Non-controlling interests and perpetual sukuk                   | 377           | 361           | 357           | 3,992         | <b>4,141</b>  |
| Total equity                                                    | 16,260        | 16,371        | 17,283        | 23,358        | <b>23,345</b> |
| Borrowings and leases                                           | 3,734         | 5,029         | 8,454         | 13,211        | <b>9,570</b>  |
| Disposal group liabilities                                      | –             | 127           | –             | 180           | <b>–</b>      |
| Other liabilities                                               | 8,493         | 8,702         | 11,303        | 15,073        | <b>14,473</b> |
| <b>Total equity and liabilities</b>                             | <b>28,487</b> | <b>30,229</b> | <b>37,040</b> | <b>51,822</b> | <b>47,388</b> |
| Non-current assets                                              | 12,537        | 11,684        | 15,413        | 24,470        | <b>22,973</b> |
| Current assets excluding cash                                   | 13,477        | 15,061        | 18,541        | 24,023        | <b>21,376</b> |
| Disposal group assets                                           | –             | 1,712         | –             | 652           | <b>–</b>      |
| Bank balances and cash                                          | 2,473         | 1,772         | 3,086         | 2,677         | <b>3,039</b>  |
| <b>Total assets</b>                                             | <b>28,487</b> | <b>30,229</b> | <b>37,040</b> | <b>51,822</b> | <b>47,388</b> |
| Average shareholders' equity (quarterly average)                | 15,356        | 15,789        | 16,065        | 18,229        | <b>18,770</b> |
| <b>FINANCIAL RATIOS</b>                                         |               |               |               |               |               |
| Operating margin (%)*                                           | 4.9           | 4.1           | 4.2           | 3.7           | <b>4.4</b>    |
| Return on average shareholders' equity (ROE) (%)^               | 9.3           | 7.0           | 9.1           | 18.1          | <b>11.0</b>   |
| Core ROE (%)^                                                   | 8.1           | 7.6           | 7.2           | 7.2           | <b>6.2</b>    |
| Debt/Equity (%)                                                 | 23.0          | 30.7          | 48.9          | 56.6          | <b>41.0</b>   |
| <b>SHARE INFORMATION</b>                                        |               |               |               |               |               |
| Basic Earnings per share (sen)                                  | 20.9          | 16.2          | 21.4          | 48.5          | <b>30.2</b>   |
| Core Earnings per share (sen)                                   | 18.3          | 17.6          | 16.9          | 19.3          | <b>17.1</b>   |
| Net assets per share attributable to owners of the Company (RM) | 2.33          | 2.35          | 2.48          | 2.84          | <b>2.82</b>   |
| Net dividend per share (sen)                                    | 15.0          | 11.5          | 13.0          | 13.0          | <b>14.0</b>   |

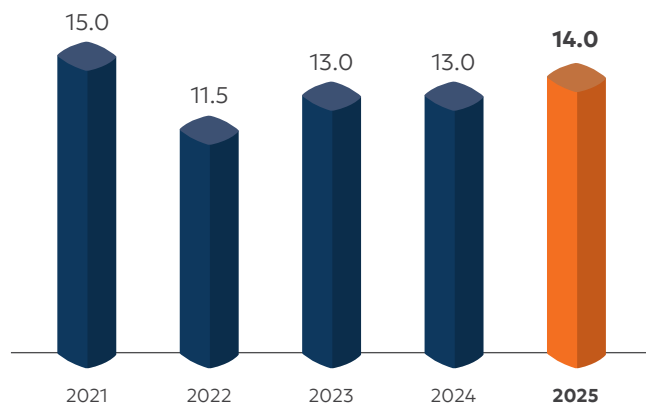
\* Excludes discontinued operations

^ Based on average shareholders' equity (quarterly average)

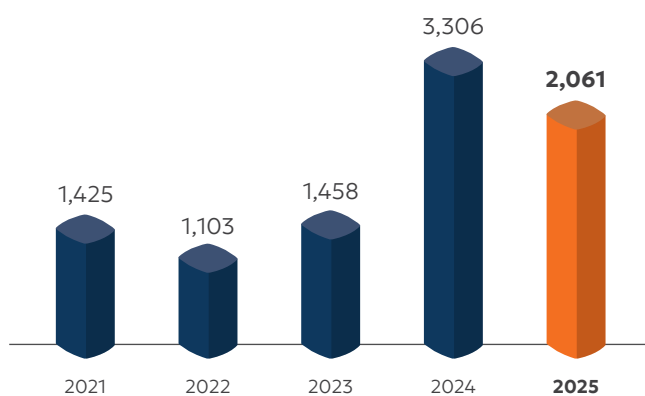
### Revenue\* (RM million)



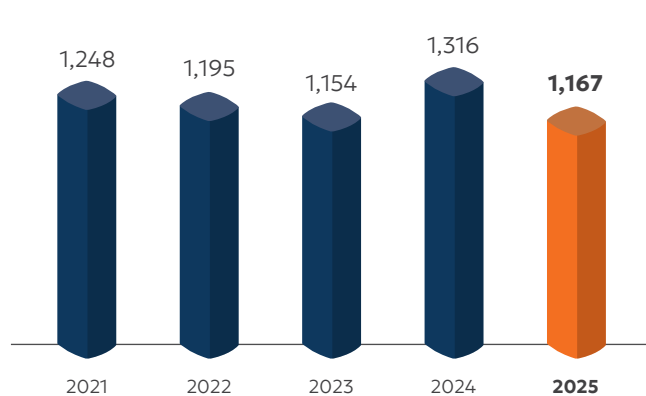
### Net Dividend Per Share (Sen)



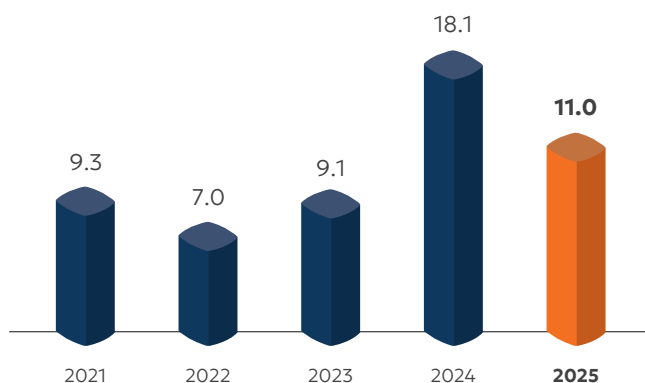
### Net Profit (RM million)



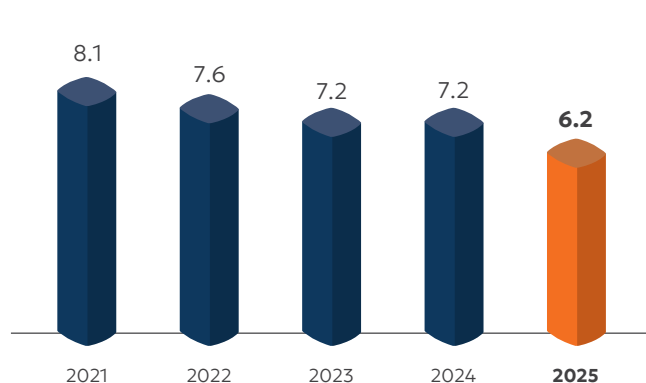
### Core Net Profit (RM million)



### ROE^ (%)



### Core ROE^ (%)



\* Excludes discontinued operations

^ Based on average shareholders' equity (quarterly average)



# STATEMENT OF VALUE ADDED

## VALUE ADDED

|                                                                                         | FY2024        | FY2025          |
|-----------------------------------------------------------------------------------------|---------------|-----------------|
| <b>(RM million)</b>                                                                     |               |                 |
| Revenue*                                                                                | 67,132        | <b>70,061</b>   |
| Operating expenses excluding staff costs, depreciation & amortisation and CSR expenses* | (57,027)      | <b>(60,150)</b> |
| Other operating income, other gains and losses and finance income*                      | 709           | <b>1,518</b>    |
| Share of results of joint ventures and associates*                                      | 260           | <b>513</b>      |
| Income from discontinued operations                                                     | 2,087         | <b>32</b>       |
| <b>Total</b>                                                                            | <b>13,161</b> | <b>11,974</b>   |

\* From continuing operations

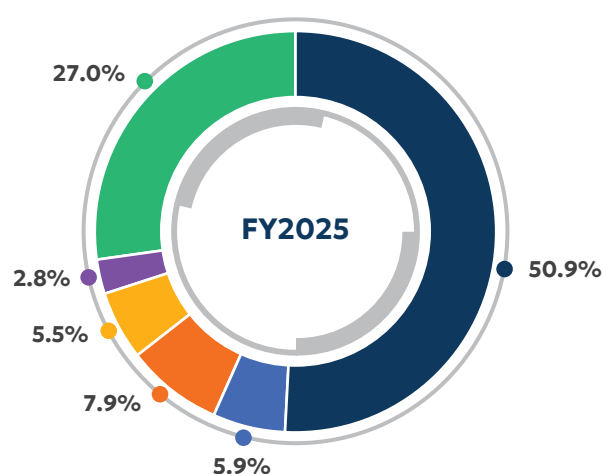
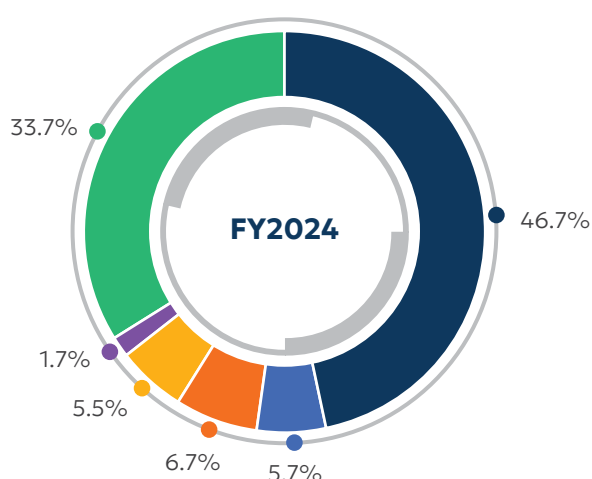
## VALUE DISTRIBUTION

|                                               | FY2024        | FY2025        |
|-----------------------------------------------|---------------|---------------|
| <b>(RM million)</b>                           |               |               |
| Directors and Employees                       | 6,143         | <b>6,092</b>  |
| Government and Society <sup>1</sup>           | 747           | <b>704</b>    |
| Dividends <sup>2</sup>                        | 886           | <b>954</b>    |
| Finance costs <sup>3</sup>                    | 724           | <b>655</b>    |
| Non-controlling interests and perpetual sukuk | 223           | <b>336</b>    |
| Reinvestment                                  | 4,438         | <b>3,233</b>  |
| <b>Total</b>                                  | <b>13,161</b> | <b>11,974</b> |

<sup>1</sup> Tax and CSR contribution

<sup>2</sup> Dividends refer to dividends declared for the respective financial years

<sup>3</sup> Gross finance costs



● Directors and Employees

● Finance costs

● Government and Society

● NCI and perpetual sukuk

● Dividends

● Reinvestment

## QUARTERLY PERFORMANCE

| (RM million)                                  | First<br>Quarter | Second<br>Quarter | Third<br>Quarter | Fourth<br>Quarter | FY2025        |
|-----------------------------------------------|------------------|-------------------|------------------|-------------------|---------------|
| Revenue                                       | 18,264           | 17,726            | 16,313           | 17,758            | <b>70,061</b> |
| Segment results                               |                  |                   |                  |                   |               |
| Industrial                                    | 343              | 337               | 221              | 425               | <b>1,326</b>  |
| Motors                                        | 190              | 118               | 114              | 9                 | <b>431</b>    |
| UMW                                           | 214              | 272               | 194              | 279               | <b>959</b>    |
| Corporate and Others                          | 467              | (25)              | (8)              | 442               | <b>876</b>    |
| Profit before interest and tax                | 1,214            | 702               | 521              | 1,155             | <b>3,592</b>  |
| Net finance costs                             | (157)            | (147)             | (128)            | (109)             | <b>(541)</b>  |
| Taxation                                      | (180)            | (150)             | (117)            | (216)             | <b>(663)</b>  |
| Profit from discontinued operations           | 7                | 2                 | –                | –                 | <b>9</b>      |
| Non-controlling interests and perpetual sukuk | (84)             | (102)             | (83)             | (67)              | <b>(336)</b>  |
| Net Profit                                    | 800              | 305               | 193              | 763               | <b>2,061</b>  |
| Earnings per share (sen)                      | 11.7             | 4.5               | 2.8              | 11.2              | <b>30.2</b>   |

| (RM million)                                  | First<br>Quarter | Second<br>Quarter | Third<br>Quarter | Fourth<br>Quarter | FY2024 |
|-----------------------------------------------|------------------|-------------------|------------------|-------------------|--------|
| Revenue                                       | 13,980           | 15,524            | 18,835           | 18,793            | 67,132 |
| Segment results                               |                  |                   |                  |                   |        |
| Industrial                                    | 358              | 351               | 359              | 399               | 1,467  |
| Motors                                        | 203              | 192               | 180              | 9                 | 584    |
| UMW                                           | –                | 47                | 262              | 171               | 480    |
| Corporate and Others                          | 269              | 1                 | (42)             | (1)               | 227    |
| Profit before interest and tax                | 830              | 591               | 759              | 578               | 2,758  |
| Net finance costs                             | (102)            | (138)             | (157)            | (180)             | (577)  |
| Taxation                                      | (154)            | (140)             | (151)            | (253)             | (698)  |
| Profit/(Loss) from discontinued operations    | 24               | 2,027             | (11)             | 6                 | 2,046  |
| Non-controlling interests and perpetual sukuk | (9)              | (52)              | (100)            | (62)              | (223)  |
| Net Profit                                    | 589              | 2,288             | 340              | 89                | 3,306  |
| Earnings per share (sen)                      | 8.6              | 33.6              | 5.0              | 1.3               | 48.5   |

# FINANCIAL CALENDAR

For the Financial Year ended 30 June 2025

## ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS

|                                  |                                                    |                                  |                                                   |
|----------------------------------|----------------------------------------------------|----------------------------------|---------------------------------------------------|
| <b>1<sup>st</sup></b><br>Quarter | <b>28 November 2024</b><br>ended 30 September 2024 | <b>2<sup>nd</sup></b><br>Quarter | <b>24 February 2025</b><br>ended 31 December 2024 |
| <b>3<sup>rd</sup></b><br>Quarter | <b>27 May 2025</b><br>ended 31 March 2025          | <b>4<sup>th</sup></b><br>Quarter | <b>27 August 2025</b><br>ended 30 June 2025       |

## DIVIDENDS

### 1<sup>st</sup> Interim Dividend of 3.0 sen and Special Dividend of 1.0 sen Per Ordinary Share

Announcement of the Notice of Entitlement and Payment: 24 February 2025

|                                  |                                             |                                         |
|----------------------------------|---------------------------------------------|-----------------------------------------|
| <b>1<sup>st</sup></b><br>Interim | Date of Entitlement<br><b>13 March 2025</b> | Date of Payment<br><b>27 March 2025</b> |
|----------------------------------|---------------------------------------------|-----------------------------------------|

### 2<sup>nd</sup> Interim Dividend of 10.0 sen Per Ordinary Share

Announcement of the Notice of Entitlement and Payment: 27 August 2025

|                                  |                                                 |                                             |
|----------------------------------|-------------------------------------------------|---------------------------------------------|
| <b>2<sup>nd</sup></b><br>Interim | Date of Entitlement<br><b>17 September 2025</b> | Date of Payment<br><b>30 September 2025</b> |
|----------------------------------|-------------------------------------------------|---------------------------------------------|

## 19<sup>TH</sup> ANNUAL GENERAL MEETING

|                                                                                     |                                       |                                                                                     |                                         |
|-------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|
|  | Notice Date<br><b>15 October 2025</b> |  | Meeting Date<br><b>13 November 2025</b> |
|-------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|

# INVESTOR RELATIONS

Our Investor Relations unit facilitates consistent and transparent engagement with the investment community through a structured programme that communicates our financial performance, strategic developments and material business matters.

These engagements are carried out through a range of channels, including conference calls, in-person meetings, vehicle test drive and site visits. In addition, investment roadshows are held to engage with our shareholders and potential investors around the world.

## CORPORATE WEBSITE & SOCIAL MEDIA

Our corporate website serves as the central hub for official communications, where the public can access documents, submit queries and subscribe to updates via following sections:

- Investor Relations: Financial results, annual reports, Annual and Extraordinary General Meeting (AGM/EGM) notices, analyst coverage, investor calendar and shareholder information
- Newsroom: Media releases, speeches, interviews and key announcements
- Sustainability: ESG strategy, reporting and initiatives
- Corporate Governance: Board details, policies, charters and disclosures

Concurrently, we maintain an active and diverse social media presence on LinkedIn, Facebook, Instagram and YouTube to promote our brand and drive awareness of our activities to a broad range of audiences.

## FINANCIAL BRIEFINGS IN FY2025

|                         |                                       |                         |                                       |
|-------------------------|---------------------------------------|-------------------------|---------------------------------------|
| <b>27 August 2024</b>   | ▶ 4QFY24 Results and Analyst Briefing | <b>24 February 2025</b> | ▶ 2QFY25 Results and Analyst Briefing |
| <b>28 November 2024</b> | ▶ 1QFY25 Results and Analyst Briefing | <b>27 May 2025</b>      | ▶ 3QFY25 Results and Analyst Briefing |

## INVESTOR ENGAGEMENTS IN FY2025

|                                                                                       |                                                                                     |                                                                                 |                                                                                   |
|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| <b>4 July 2024</b><br>J.P. Morgan Malaysia and ASEAN Conference<br>Kuala Lumpur       | <b>6 August 2024</b><br>Non-Deal Roadshow Tokyo                                     | <b>28 August 2024</b><br>Macquarie ASEAN Conference 2024<br>Singapore           | <b>18 September 2024</b><br>BYD Test Drive                                        |
| <b>24 September 2024</b><br>Porsche Test Drive                                        | <b>25 September 2024</b><br>Visit to UMW Aerospace Serendah                         | <b>8 January 2025</b><br>CGS 17th Annual Malaysia Corporate Day<br>Kuala Lumpur | <b>15 January 2025</b><br>Nomura ASEAN Conference 2025<br>Kuala Lumpur            |
| <b>23 January 2025</b><br>Meeting with Permodalan Nasional Berhad (PNB)               | <b>4 February 2025</b><br>Sime Corporate Investor Day<br>Kuala Lumpur               | <b>11-12 March 2025</b><br>21st CITIC CLSA ASEAN Forum 2025<br>Bangkok          | <b>24 March 2025</b><br>Meeting with Great Eastern Life Assurance<br>Kuala Lumpur |
| <b>9 April 2025</b><br>ASEAN Investment Conference (organised by CGS)<br>Kuala Lumpur | <b>21 April 2025</b><br>Meeting with Kumpulan Wang Persaraan (Diperbadankan) (KWAP) | <b>6-9 May 2025</b><br>Shareholders' Visits to Australia (Brisbane and Mackay)  | <b>29-30 May 2025</b><br>UBS Asian Investment Conference<br>Hong Kong             |

## INVESTOR RELATIONS

### SIME'S 19<sup>TH</sup> AGM

Our hybrid 19<sup>th</sup> AGM will be held on Thursday, 13 November 2025, at Ballroom, Level 3, Malaysia International Trade and Exhibition Centre (MITEC), Kompleks MITEC, No. 8, Jalan Dutamas 2, 50480 Kuala Lumpur, Malaysia, providing shareholders and proxies the opportunity to engage with the Board and senior management, review our FY2025 performance and discuss strategic priorities aligned with our renewed focus as “Sime”.

Key items on the agenda include:

- Approval of our audited FY2025 financial statements.
- Re-election of directors retiring by rotation.
- Appointment and remuneration of auditors.
- Updates on our business strategy, ESG efforts and international operations.

Shareholders are encouraged to participate and raise questions, particularly around our plans in relation to key concerns and issues such as EV growth, digital transformation and shifting market dynamics.

Meeting materials, including the Notice of Meeting, proxy forms and our FY2025 Annual Report will be available on our Investor Relations page on our website ahead of the AGM.

### INDICES REPRESENTATION

We are proud to be included in the following key indices:

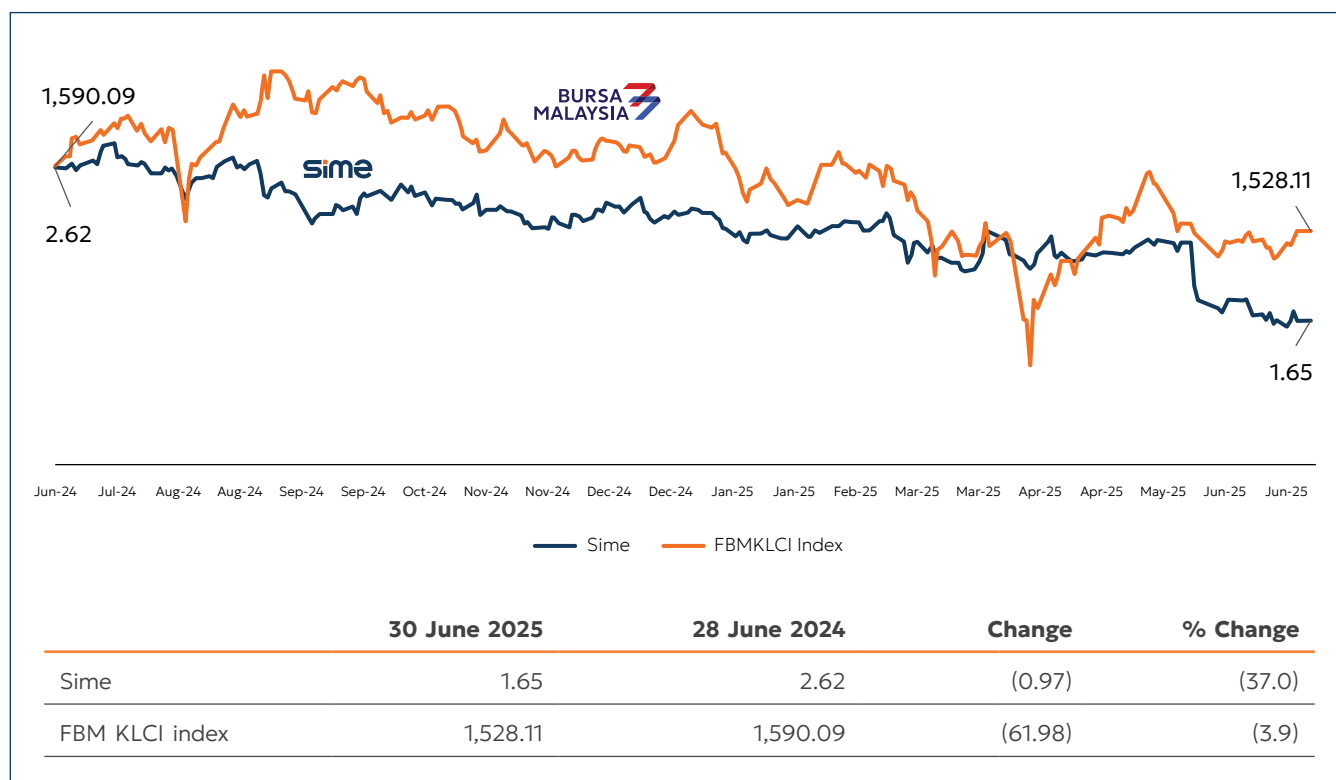
FBM KLCI

KL Consumer Products Index  
(KLCM)

FTSE4Good Index

### SHARE PRICE

The following table shows the performance of Sime share price and volume traded on the FMB KLCI throughout FY2025.





**Dean Mehmet**  
Managing Director, Sime Industrial



At Sime Industrial, we are committed to supporting customers across Asia Pacific with solutions that power progress in resources, infrastructure and energy. While market dynamics presented challenges this year, strengthening our foundations and positioning for long-term value remained central to our focus. We are optimising our portfolio, deepening participation in high-margin segments and building resilience for future growth. Looking ahead, this focus positions us to capture growth across our key sectors and from the energy transition, particularly in critical minerals and power solutions. We continue to streamline operations, strengthen digital capabilities and enhance agility to better meet evolving customer needs.

## BUSINESS REVIEW



### SUMMARY OF FY2025 PERFORMANCE

In FY2025, Sime Industrial navigated both challenging market conditions and an external trade/exchange-rate driven environment. Sime Industrial's results were impacted due to weaker exchange rates and some temporary margin suppression associated with parts & service pricing realisation. Overall revenues remained resilient, and final results were supported by business efficiency/optimisation initiatives and continued strong, on-plan performance from recent acquisitions. The division also continued to benefit from strong global demand for critical minerals, specifically fuelled by continued momentum in Asian construction and requirements of global energy transition.

In China, market conditions remained subdued, though improvement initiatives are underway to enhance profitability and strengthen returns. In Southeast Asia, we sustained positive momentum in key sectors such as data centres, maritime and oil & gas, which supported demand for our power generation solutions and after-sales services.

With ongoing optimisation efforts, a strong market position, and a continued focus on elevating the customer experience, we are well placed to maintain our leadership in the industrial equipment and solutions sector.

### WHAT WE DO

Sime Industrial partners with Caterpillar and other world leading industrial brands to deliver heavy equipment, power systems, rental services, product support and integrated solutions. With operations across 14 countries and territories in the Asia Pacific region, we serve a customer base spanning a range of sectors.

#### Business Segments



Industrial equipment sales (new and used)



Rental services



Equipment rental



Product support



Power systems sales



Industrial solutions

#### Customer sectors



Resources



Oil & gas



Infrastructure



Material handling



Maritime industries



Agriculture



Power generation



## BUSINESS REVIEW

### KEY FOCUS AREAS & RESULTS

#### 01 Grow the core

- Expanding our high margin rental and aftermarket offerings to strengthen earnings resilience across key markets.
- Acquired HS Roads and Saferoads to enhance Onsite's fleet and extend reach into new infrastructure and metro segments.
- Strengthening collaboration with principals to navigate market conditions and align on equipment and power solution offerings.

#### 02 Operational excellence

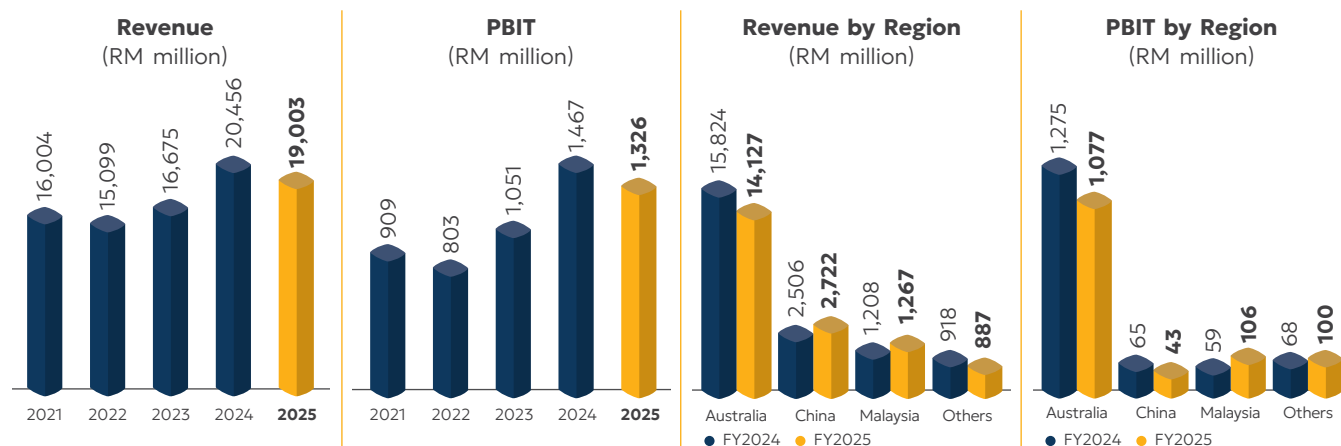
- Implementing improvement initiatives across inventory, cost and network optimisation to support returns and working capital efficiency.
- Deploying facility upgrades and technology investments to increase capacity in high demand markets.
- Introducing process redesign and automation initiatives to improve capital efficiency and strengthen operational scalability.

#### 03 Future ready

- Collaborating with OEMs to deliver electrified equipment and low emission solutions that support customer decarbonisation goals.
- Introducing cogeneration and alternative power solutions to meet growing demand from energy transition activities.
- Capturing growth in critical mineral regions through new and rental heavy equipment deliveries.
- Investing in digital tools and platforms to improve customer engagement and operational efficiency.

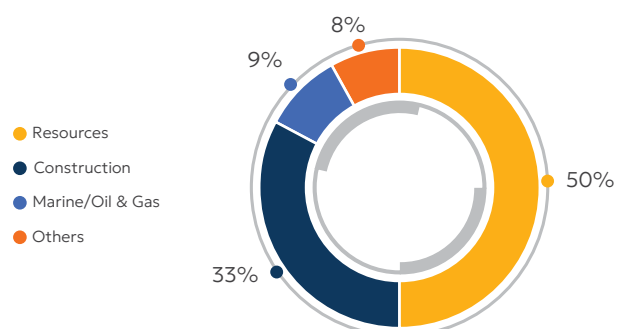
### PERFORMANCE HIGHLIGHTS

#### Financial Performance

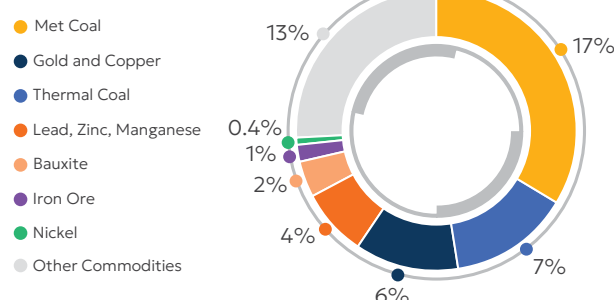


#### Non-financial Performance

##### Share of Revenue by Customer Segments



##### Share of Resources Revenue by Commodity Exposure



## KEY CHALLENGES & GROWTH OPPORTUNITIES

| Key Challenges                                             | Mitigation Strategies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Cost pressures in customers' operating environments</b> | <ul style="list-style-type: none"> <li>Engaging customers to better understand their challenges and evolving needs.</li> <li>Providing low capital alternatives.</li> <li>Providing customers with digital tools and solutions to monitor and optimise fleet performance.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Increased competition from new market entrants</b>      | <ul style="list-style-type: none"> <li>Differentiating our offerings through superior product support, backed by our extensive network, facilities, supply chain and technical expertise.</li> <li>Pursuing targeted business development through a strong product value proposition.</li> <li>Actively engaging with our customers to strengthen key account relationships.</li> <li>Strengthening brand positioning and investing in customer loyalty programmes.</li> <li>Bundle after-sales with equipment sales to boost value and build customer loyalty.</li> <li>Offering a variety of equipment ownership models to customers such as rental or rent-to-own.</li> </ul> |
| <b>Challenging conditions in China</b>                     | <ul style="list-style-type: none"> <li>Closely monitoring and responding to macroeconomic factors and customer requirements.</li> <li>Optimising our China business to enhance efficiency and resilience in a challenging market environment.</li> <li>Collaborating with suppliers to provide low cost and tailored solutions for customer needs.</li> <li>Extending capabilities in distribution, product support and digital to support broader customer requirements.</li> <li>Identifying and delivering growth initiatives across Asia Pacific to drive resilience in the face of country level cyclicity.</li> </ul>                                                      |

| Growth Opportunities                                                                                                            | Our Approach                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Growing demand for commodities in Australia to support requirements for global electrification and infrastructure growth</b> | <ul style="list-style-type: none"> <li>Capitalising on expanded geographical and commodity coverage in Australia through CAT dealerships and Onsite.</li> <li>Capturing after-sales opportunities across the equipment lifecycle to grow high-margin, recurring revenue streams.</li> </ul>                                                     |
| <b>Large infrastructure investment pipeline across Asia Pacific</b>                                                             | <ul style="list-style-type: none"> <li>Providing integrated solutions in equipment, power generation and technology to deliver fit-for-purpose support and capture more customer investment.</li> <li>Offering construction equipment and support solutions via rental options to meet the demands of more cost-conscious customers.</li> </ul> |
| <b>Increasing demand by customers for solutions to support their decarbonisation efforts</b>                                    | <ul style="list-style-type: none"> <li>Promoting existing offerings such as cogeneration, dual fuel engine, transitional and alternative fuel solutions to customers.</li> <li>Expanding our portfolio with energy efficient and low carbon offerings to deliver value for customers.</li> </ul>                                                |

## OUTLOOK & STRATEGIC PLANS

- Continuing to focus on our core sectors of resources, infrastructure and energy to drive profitability and strengthen market leadership.
- Leveraging the division's broad geographical and sector footprint to strengthen customer partnerships and unlock value from core businesses.
- Deepening principal relationships and channel alignment to support long-term growth and value creation.
- Accelerating digitalisation and process optimisation to improve operational efficiency and scalability.
- Maintaining strong capital discipline and executing targeted investments aligned to high-performing segments such as rental and aftermarket.
- Ensuring disciplined execution of improvement initiatives to enhance returns and support Group targets, including return on equity (ROE).

## BUSINESS REVIEW



### SUMMARY OF FY2025 PERFORMANCE

In FY2025, Sime Motors faced challenging market conditions that weighed on profitability, particularly in China, where heavy discounting and subdued demand affected sales. Strong demand for BYD vehicles in Malaysia and Singapore helped offset the impact. Singapore was a standout, where we captured 30% market share in the first half of 2025, driven by BYD and BMW, with BYD emerging as the market's top-selling brand.

Throughout FY2025, we sharpened our focus on strengthening core markets, expanding in high-margin segments such as used vehicles, after-sales and rental, and streamlining underperforming operations to enhance efficiency and resilience. At the same time, we broadened our portfolio with electrified models and scaled up digital platforms to deepen customer engagement. These initiatives are laying the foundation for long-term growth and positioning us to capture opportunities as industry dynamics continue to evolve.

### WHAT WE DO

Sime Motors operates across 10 markets in Asia Pacific, spanning the full automotive value chain. Our broad geographical presence provides access to a diverse and growing customer base, supported by an extensive dealership network and long-standing partnerships with many of the world's leading automotive and commercial truck brands.

#### Business Segments

-  Assembly
-  Distribution and import
-  Retail of new and used cars
-  After-sales services
-  Vehicle rental



**Andrew Basham**  
Managing Director, Sime Motors



FY2025 was a pivotal year as we navigated challenging market conditions while advancing our transformation agenda. Our focus has been on strengthening our core, streamlining our portfolio and enhancing customer engagement through digital platforms. With strong partnerships across global brands, we are building presence in high-potential segments and preparing for long-term growth as the industry moves towards electrification, sustainability and new mobility models. Supported by our diversified presence in Asia Pacific, we remain committed to delivering lasting value for customers and stakeholders.

## KEY FOCUS AREAS & RESULTS

### 01 Grow the core

- Expanding our xEV portfolio with Denza in Malaysia and Singapore and Polestar in Australia to reinforce competitiveness in electrified mobility.
- Establishing Performance Motors Malaysia, a joint venture with Ingress Auto, to strengthen BMW representation and grow presence in the premium segment.
- Enhancing resilience in core markets through operating model optimisation and new brand partnerships.
- Broadening participation in adjacencies such as used vehicles, after-sales and rental to capture high-margin opportunities and strengthen customer loyalty.

### 02 Operational excellence

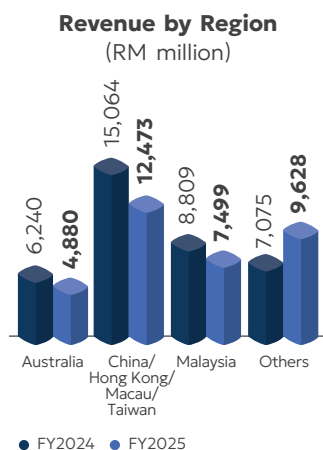
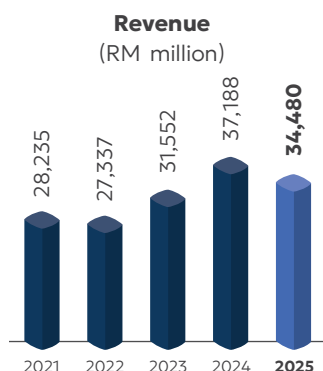
- Expanding online booking and e-commerce for Auto Selection, BYD and Denza to enable seamless browsing, comparison and trade-in quotes.
- Introducing digital payments for BYD and Denza to provide a convenient and secure purchase experience.
- Enhancing customer support with 24/7 interaction centres and AI-powered assistance for faster, higher-quality service.
- Leveraging digital platforms and data to scale operations, boost efficiency and strengthen customer loyalty.

### 03 Future ready

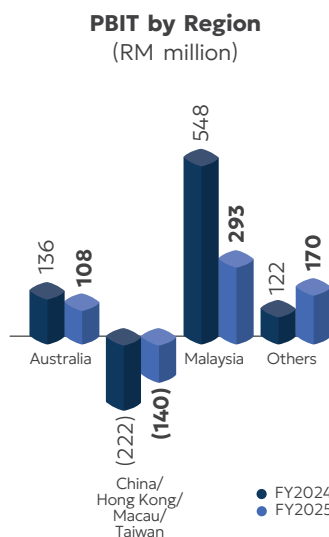
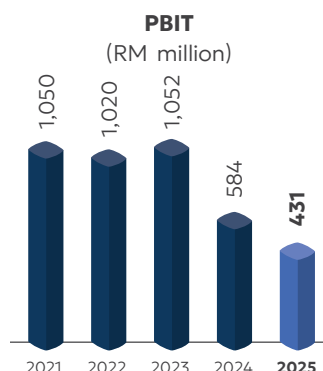
- Launching EV NEXT, Malaysia's first used xEV dealership, strengthening adjacencies in electrification.
- Partnering with GetGo in Singapore to enter mobility-as-a-service and enhance BMW touchpoints.
- Supporting BMW on the launch of the Neue Klasse, its new EV platform aligned with evolving consumer demand.
- Expanding digital ecosystems with SDM OneGo and regional platforms to integrate online-to-offline journeys.
- Introducing instant valuation tools to improve transparency, efficiency and data-led insights.

## PERFORMANCE HIGHLIGHTS

### Financial Performance

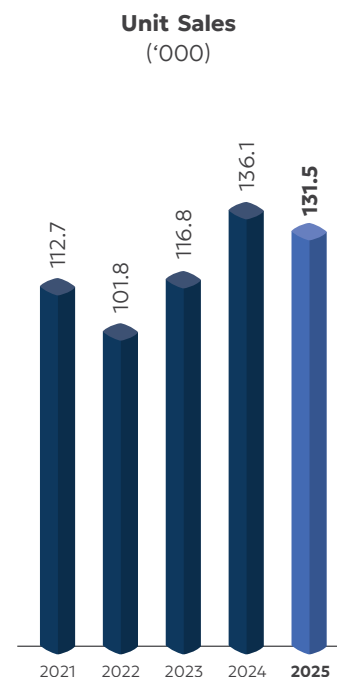


● FY2024 ● FY2025



● FY2024 ● FY2025

### Non-financial Performance



**Note:**  
Includes new and used vehicle sales

## BUSINESS REVIEW

### KEY CHALLENGES & GROWTH OPPORTUNITIES

| Key Challenges                                                                                | Mitigation Strategies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Intensifying competition and discounting, especially in China, impacting profitability</b> | <ul style="list-style-type: none"> <li>Streamlining operations through targeted network consolidation, cost optimisation and efficiency measures.</li> <li>Focusing on high-margin models, used vehicles, aftermarket services and assembly to buffer earnings.</li> <li>Strengthening retail profitability with lease renegotiations, manpower rationalisation and stronger after-sales contributions.</li> <li>Working closely with principals to navigate the evolving landscape and identify opportunities for sustainable growth.</li> </ul>                                                                                                                                       |
| <b>Rising interest in Chinese brands</b>                                                      | <ul style="list-style-type: none"> <li>Elevating the customer experience by upgrading showrooms and services.</li> <li>Retaining high-value customers through differentiated, bespoke after-sales support.</li> <li>Expanding the xEV portfolio through direct partnerships with leading and emerging Chinese OEMs to capture growth and meet shifting consumer demand.</li> <li>Supporting BMW on the launch of Neue Klasse, its new EV platform delivering advanced digital features, autonomous driving and smart cockpit performance.</li> <li>Aligning with BMW's 'In-China' strategy to localise production, accelerate electrification and enhance digital offerings.</li> </ul> |
| <b>Rising regulatory and policy uncertainty across key markets</b>                            | <ul style="list-style-type: none"> <li>Maintaining active engagement with regulators to anticipate and respond to policy shifts.</li> <li>Enhancing supply chain resilience and cost structures to absorb trade and subsidy changes.</li> <li>Aligning offerings with policy-driven growth in xEVs and shifting consumer trends.</li> <li>Monitoring emerging technologies, such as autonomous and connected features, to prepare for longer-term disruption.</li> </ul>                                                                                                                                                                                                                |
| Growth Opportunities                                                                          | Our Approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Capturing growth from evolving consumer preferences across ICE and xEVs</b>                | <ul style="list-style-type: none"> <li>Leveraging our multi-brand portfolio to meet diverse customer needs across the ICE and xEV segments, recognising the transition will progress at different speeds by market.</li> <li>Introducing competitively priced, attractive models to reinforce market presence and capture demand.</li> </ul>                                                                                                                                                                                                                                                                                                                                            |
| <b>Growing demand for mobility, used vehicles and aftermarket services</b>                    | <ul style="list-style-type: none"> <li>Strengthening participation in the used vehicles, rental and aftermarket sectors to diversify income streams.</li> <li>Enhancing customer loyalty and lifetime value through integrated mobility solutions and after-sales support.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Local assembly expansion, positioning Malaysia as a regional hub</b>                       | <ul style="list-style-type: none"> <li>Positioning Inokom as a brand-agnostic assembler, leveraging its regional capabilities as OEMs localise vehicle production to manage costs and strengthen competitiveness.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

### OUTLOOK & STRATEGIC PLANS

- Continuing to protect our core while positioning for long-term growth through portfolio optimisation and a disciplined focus on returns, particularly in markets facing heavy discounting and competition.
- Rebalancing geographical exposure by managing our position in China, while building on profitable foundations in Malaysia and expanding growth opportunities in ASEAN.
- Sustaining diversified brand representation to meet evolving customer preferences across ICE and xEVs, including the introduction of competitively priced new models.
- Capturing localisation opportunities by expanding Inokom's role as a regional assembler, positioning Malaysia as a hub for right-hand drive EVs.
- Scaling high-margin adjacencies such as used vehicles, rental, and aftermarket services to mitigate earnings volatility and deepen customer loyalty.
- Accelerating adoption of digitalisation and process optimisation to improve efficiency, scalability and customer engagement.
- Maintaining disciplined execution to enhance profitability and support Group financial targets, including return on equity (ROE).





**Mustamir Mohamad**  
Managing Director, Sime UMW



FY2025 marked Sime UMW's first full year within Sime, an important milestone in our continued commitment to 'Motorising Malaysia' and creating long-term value for our stakeholders. Through Toyota and Perodua, we maintained our leadership position in Malaysia's automotive market, capturing both the mid and mass-market segments. Toyota continues to demonstrate resilience with strong sales and a diversified multi-pathway strategy, while Perodua remains a cornerstone of our portfolio, driving affordable mobility and playing a vital role in the national automotive ecosystem. Guided by strong partnerships with Toyota and Daihatsu Japan, we are committed to reinforcing our automotive core, unlocking value in adjacencies and shaping the future of mobility in Malaysia. Our integration into the Group has sharpened our focus on efficiency and governance, while advancing key priorities in electrification, digitalisation and sustainability to support future growth.



## SUMMARY OF FY2025 PERFORMANCE

Sime UMW delivered a commendable performance in FY2025, anchored by the strength of its automotive segment.

UMW Toyota strengthened its position in FY2025 with a 12.5% market share, while Perodua achieved a record market share of 44.3%. Both brands reinforced their top positions in the non-national and national categories respectively, maintaining pole position in Malaysia's automotive market. This was underpinned by Malaysia's continued industry momentum, with total industry volume (TIV) exceeding 800,000 units in 2024, marking its second consecutive year as ASEAN's second-largest automotive market.

We sharpened our strategic focus in FY2025 through portfolio optimisation initiatives. This included the divestment of Komatsu to streamline our business. We also strengthened our long-standing partnership with Toyota Industries Corporation (TICO) by divesting a further 26% equity in UMW Toyota Material Handling (UTMH), resulting in TICO holding an effective 49% stake.

Overall, the successful integration of Sime UMW into the Group has solidified our foundation for sustainable growth and long-term value creation.

## WHAT WE DO

Sime UMW is a leading player involved in the Automotive, Equipment, Manufacturing & Engineering and Aerospace sectors, supported by strategic partnerships and a diverse portfolio that serves both domestic and international markets.

### Business Segments

-  Automotive
-  Equipment
-  Manufacturing & Engineering
-  Aerospace



## BUSINESS REVIEW

### KEY FOCUS AREAS & RESULTS

#### 01 Grow the core

- Solidifying leadership in Malaysia's automotive market, with Toyota and Perodua collectively holding more than 56% market share.
- Strengthening Principal partnerships and advancing electrification pathways through product portfolio expansion with the launch of the new Corolla Cross and Camry Hybrid for the mass segment, the Lexus RZ Electric and Lexus LBX for the luxury segment and three performance variants under the Toyota Gazoo Racing lineup.
- Constructing a new plant in Serendah to enable product expansion for KYB-UMW, enhancing customer proximity and supporting transition to modular assembly.

#### 02 Operational excellence

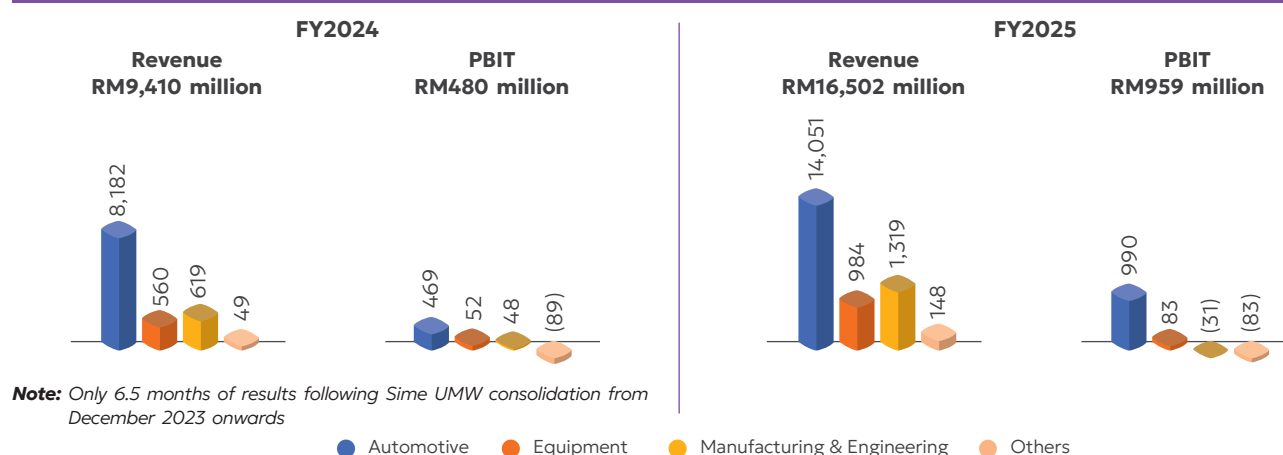
- Completing the disposal of Komatsu and reducing our stake in UMW Toyota Material Handling.
- Implementing ongoing margin improvement initiatives in the lubricants and aerospace businesses, alongside broader supply chain and cost optimisation programmes to improve overall profitability.
- Establishing UMW Shared Services to improve efficiency, integration and governance.

#### 03 Future ready

- Introducing Perodua's first EV model, set to launch by late 2025.
- Collaborating with the Ministry of Science, Technology and Innovation (MOSTI) and PETRONAS to showcase Toyota Mirai hydrogen fuel cell vehicles, creating awareness of hydrogen mobility solutions.
- Scaling digital channels and tools to capture new consumer segments and improve ownership experience.

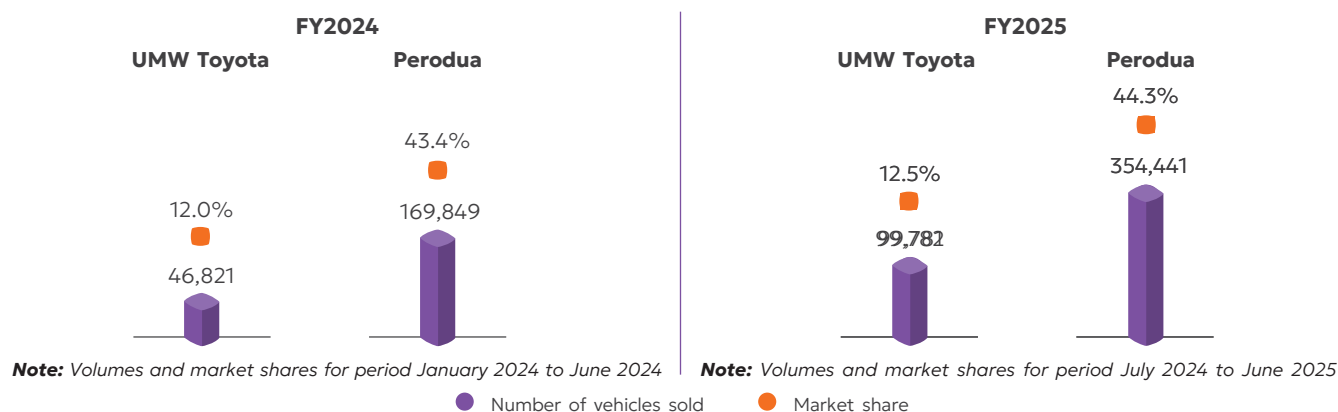
### PERFORMANCE HIGHLIGHTS

#### Financial Performance



#### Non-financial Performance

##### Number of Vehicles Sold and Market Share



## KEY CHALLENGES & GROWTH OPPORTUNITIES

| Key Challenges                                                              | Mitigation Strategies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Entry of Chinese OEMs into Malaysia's mass-market automotive segment</b> | <ul style="list-style-type: none"> <li>Sustaining leadership through strong and trusted brand recognition, robust secondary resale value and portfolio breadth across drivetrains.</li> <li>Deepening customer engagement via enhanced after-sales services, pre-owned vehicles and mobility solutions.</li> <li>Strengthening collaboration with principal to accelerate adoption of electrification and Multi-Pathway offerings.</li> <li>Enhancing cost efficiency and supply chain resilience to protect competitiveness.</li> <li>Reinforcing market presence and strengthening customer trust through targeted marketing, loyalty programmes and consistent brand experiences to enhance differentiation from new entrants.</li> <li>Protecting market share through portfolio breadth across entry-level and mid-market segments.</li> </ul> |
| <b>Policy and regulatory changes in Malaysia</b>                            | <ul style="list-style-type: none"> <li>Proactively engaging with government and regulatory bodies, including collaboration on product deployment, to help shape and respond to evolving policy developments.</li> <li>Driving demand through a portfolio of affordable, energy-efficient vehicles to align with policy priorities.</li> <li>Supporting customer affordability through expanded financing solutions and mobility alternatives such as rental and certified pre-owned programmes.</li> <li>Enhancing operational efficiency and supply chain resilience to offset regulatory cost pressures.</li> </ul>                                                                                                                                                                                                                               |

| Growth Opportunities                                                                                                     | Our Approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Broader xEV model range enabling market share capture across multiple powertrains</b>                                 | <ul style="list-style-type: none"> <li>Leveraging Toyota's multi-pathway strategy and Perodua's upcoming EV offering to strengthen coverage across xEV portfolios.</li> <li>Positioning Toyota's hybrid technology as a practical and accessible solution that meets diverse consumer needs while easing pressure on existing infrastructure or consumer behaviour.</li> <li>Building customer readiness by enhancing after-sales, technical capability and financing solutions to support adoption.</li> </ul> |
| <b>Evolving dynamics in Malaysia's national car market creating scope to reinforce leadership in entry-level segment</b> | <ul style="list-style-type: none"> <li>Sustaining leadership by reinforcing Perodua's affordability positioning.</li> <li>Broadening participation through mobility solutions such as after-sales, rental and certified pre-owned programmes.</li> <li>Strengthening principal collaboration to align on product, technology and customer needs.</li> </ul>                                                                                                                                                     |
| <b>Rising logistics and e-commerce growth driving demand for material handling solutions across Southeast Asia</b>       | <ul style="list-style-type: none"> <li>Leveraging Toyota Industries Corporation's global network and capabilities to strengthen leadership in material handling.</li> <li>Expanding rental and refurbished fleet offerings to provide cost-effective solutions and defend market share against new entrants.</li> </ul>                                                                                                                                                                                         |

## OUTLOOK & STRATEGIC PLANS

- Reinforcing leadership in Malaysia's automotive market through Toyota and Perodua, while sustaining competitiveness against new entrants.
- Strengthening portfolio optimisation and integration initiatives to build efficiency, resilience and long-term value.
- Capturing growth from electrification through a multi-pathway approach and expanding coverage across xEV and ICE segments.
- Broadening participation in adjacencies, including after-sales, rental and pre-owned mobility solutions, to enhance customer engagement and loyalty.
- Maintaining disciplined execution to improve returns and support Group financial targets, including return on equity (ROE).
- Deepening principal relationships and engaging actively with the Malaysian government to align on policy, technology and industry growth.
- Realising synergies across the Group to strengthen resilience and unlock value from core businesses.

# CREATING SUSTAINABLE VALUE

Our commitment to sustainability continues to guide every step Sime takes. Since announcing our **2050 Net Zero** commitment in FY2024, we have been steadfast in our mission to contribute to a more sustainable future. We are proud to share that we have achieved two targets outlined in our Sustainability Blueprint—milestones that reflect not only our progress but also our determination to turn our vision into measurable impact. These achievements mark a significant milestone in our journey, underscoring our role as a responsible and sustainable organisation.

|                                      |    |                           |    |
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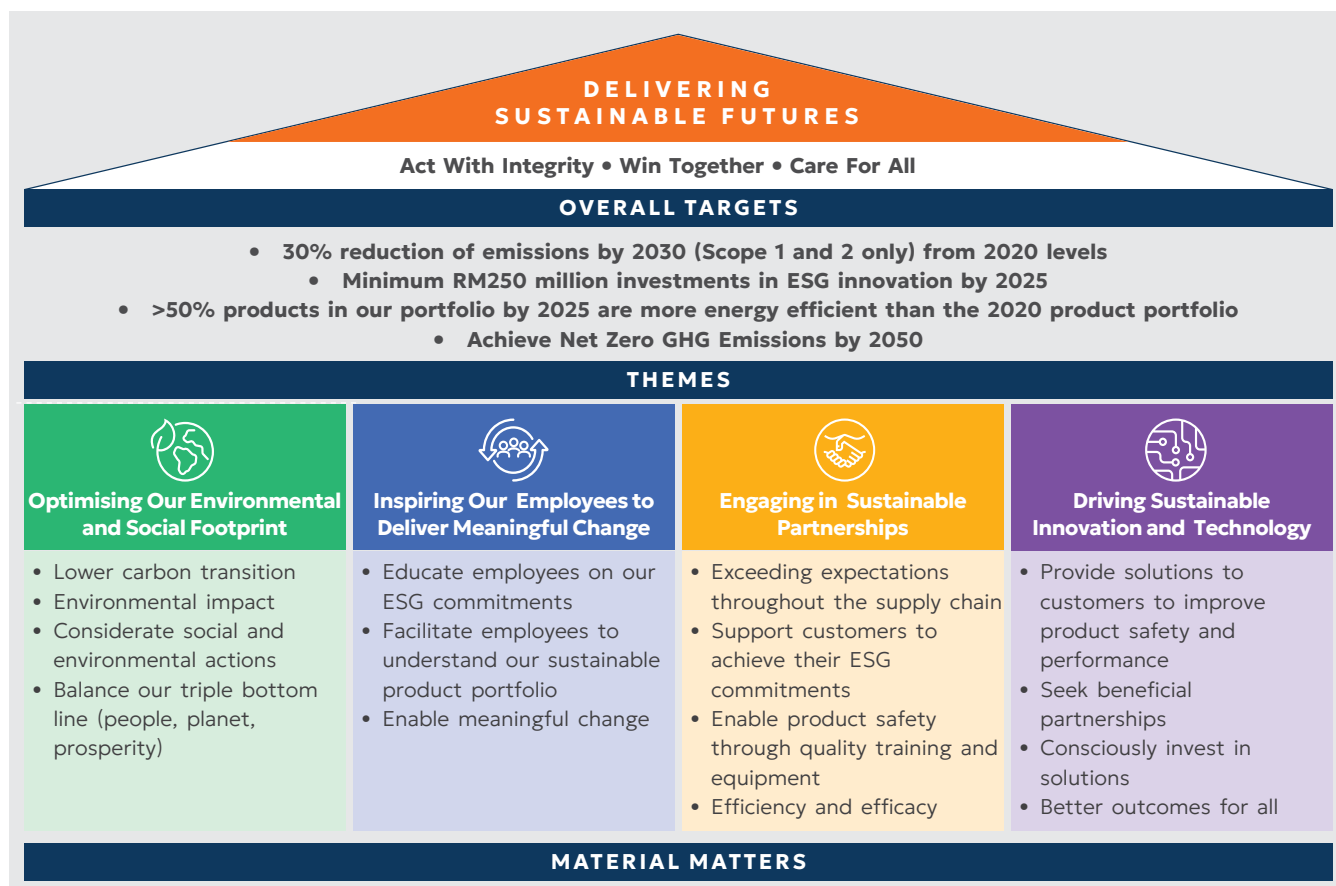
## Driving Sustainable Innovation and Technology

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# OUR SUSTAINABILITY BLUEPRINT JOURNEY

Our Sustainability Blueprint is at the heart of our strategic decisions, guiding us in our efforts to drive long-term value for all stakeholders, including employees, customers, shareholders and communities. Integrated into our 5-year Strategy Masterplan, it reflects our commitment to sustainability. Now in its fifth year, the Blueprint has achieved notable progress, with two targets met within the 2025 timeline. We have also empowered our employees with enhanced sustainability knowledge, enabling them to lead the charge in realising our sustainability vision. Guided by our Net Zero Roadmap, Sime aims to achieve Net-Zero GHG emissions across our portfolio by 2050. Our Net Zero roadmap is aligned with international sustainability disclosure standards and aims to enhance Sime's competitiveness and profitability.



## REACHING OUR OVERALL TARGETS

Our sustainability targets guide us on our journey.

### Target 1

Reduce Scope 1 and 2 emissions by **30%** by **2030**.  
In FY2025, we reduced emissions by **26%** against 2020 levels and are reviewing projects for further reductions.

### Target 2

Invest **RM250 million** in ESG innovation by 2025.  
**Target achieved.**

### Target 3

Ensure **>50%** of products are more energy-efficient by 2025.  
**Target achieved.**

## BLUEPRINT REFRESH

Our Sustainability Blueprint has been refreshed with the inclusion of four new targets to replace the two targets which have been achieved. Following a thorough analysis of the global market, regulatory landscape and collaborative engagement across our Group, the targets in the blueprint are aligned to People, Planet and Profit with 2030 as the target year.

## 2030 SUSTAINABILITY TARGETS

- **25%** Total Recordable Injury Frequency Rate (TRIFR) reduction from 2025
- More than **40 training hours** per person
- Contribute at least **RM50 million** over 5 years to communities
- **30%** reduction of Scope 1 & 2 emissions by 2030 from 2020 levels
- ROE of **11%**

# DELIVERING A SUSTAINABLE FUTURE

## STRATEGIC OBJECTIVE

### Short-Term Strategy (FY2025 – FY2026)



Publish **Net Zero Roadmap** and refreshed **Sustainability Blueprint**.



Release first set of Sustainability disclosures aligned with **National Sustainability Reporting Framework (NSRF)** requirements.



Establish and expand **Scope 3** reporting.

### Medium-Term Strategy (FY2027 – FY2028)



Continue developing **climate scenario analysis** insights to assess climate-related risks and opportunities.



Continue expanding **rooftop solar installations** across our facilities in a cost-effective manner.



Enhance community impact by **diversifying key focus programmes**.

### Long-Term Strategy (FY2029 – FY2035)



**Reduce Scope 1 & 2 emissions** to meet our 2030 reduction and 2050 net zero target.



Enhance our **No Harm goal** through continual health, safety and environmental improvements.



Ensure **anti-bribery, corruption** and **whistleblowing programmes** remain current.

## HOW WE WILL GET THERE

### Short-Term Strategy (FY2025 – FY2026)



**Close collaboration with leaders** from every division, region and department.



Consolidate the past five years of learnings and **embed sustainability guidance into daily operations**.



Leverage **Bursa Malaysia's Centralised Sustainability Intelligence Platform (CSIP)** to engage with suppliers on Scope 3 emissions.



Expand **Visible Safety Leadership** and refresh **SELF** across priority businesses to strengthen risk awareness and frontline engagement.



Launch structured **HSE Lessons Learned Bulletins** to support meaningful learning from events.

### Medium-Term Strategy (FY2027 – FY2028)



Collaborate with risk owners to **strengthen enterprise risk management frameworks** and with operations to **deliver value and outcomes**.



Broaden NGO and community partnerships to **boost impact and sustainability**.



Review and strengthen our **Serious Injury and Fatality Prevention Programme**, including critical controls and Life Saving Commitments.



Enhance well-being initiatives with a **stronger focus on mental health and health promotion campaigns**.



Continue to enhance **Technical and Vocational Education and Training programmes** including ESG training to meet industry demands.

### Long-Term Strategy (FY2029 – FY2035)



**Leverage OEM data** to drive efficiency.



Embed **risk-based Layered Assurance** to verify critical controls and strengthen health and safety governance.



Build on **short and medium-term strategies**.



Report and measure our **long-term impact of CSR initiatives**.

# SUSTAINABILITY GOVERNANCE

## OUR GOVERNANCE STRUCTURE

Sime's sustainability governance enables effective execution of our Blueprint and ensures integrity and consistent delivery of commitments across all operations.

### Sustainability Governance Structure

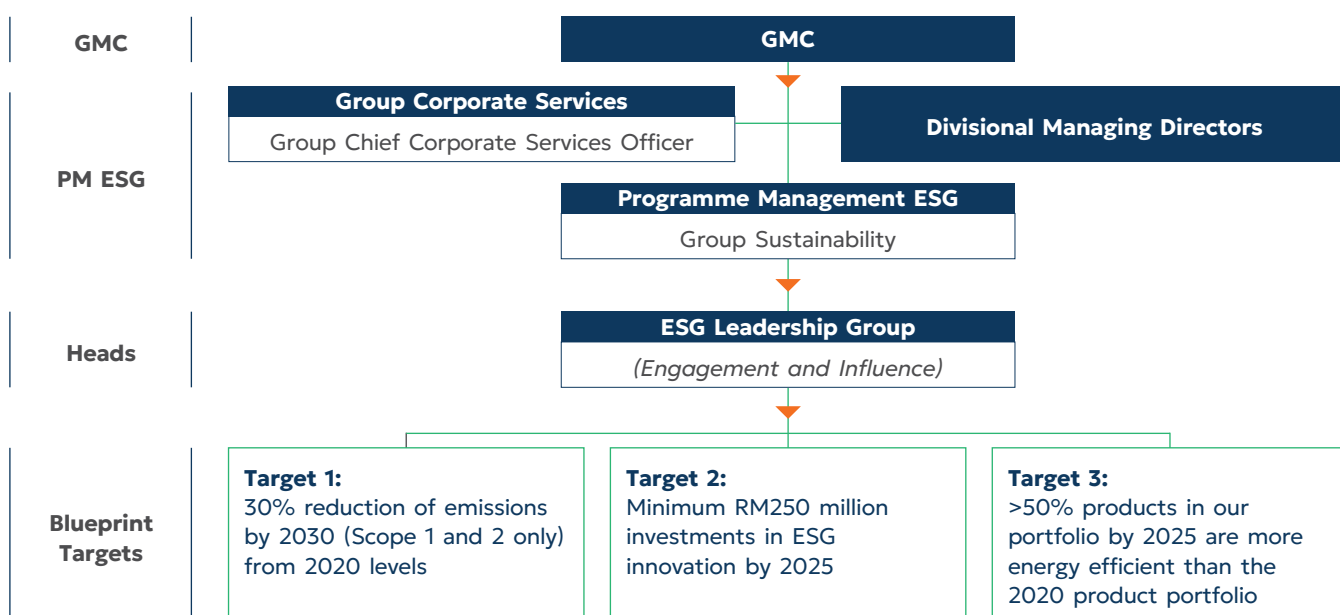


## KEY DEVELOPMENTS IN FY2025

We have aligned our reporting structure so that Group Sustainability reports to the RMSC through Sime's Group Corporate Services office. Updates are provided quarterly through Divisional Management, the Group Management Committee (GMC), and RMSC meetings. This enhances sustainability governance, ensures strategic alignment and supports adherence to our Sustainability Blueprint. To further strengthen governance, Sime prioritises sustainability training, including participation in Bursa Malaysia Sustainability Accelerator Programme to bolster alignment with IFRS S1 and S2, as well as mandatory sustainability training for the Board of Directors and senior leaders.

For more details about the RMSC and Board Committees, please refer to the Corporate Governance section on pages 127 to 133, and 106 to 107 of this report, respectively.

### Programme Management ESG (PM ESG) Office



Group Sustainability leads Sime's sustainability efforts by formulating the Group-wide strategy and fostering collaboration through ESG Councils within each business unit, ensuring sustainability principles are embedded at all organisational levels. It also ensures that initiatives align with the Group's sustainability targets and key priorities, with significant projects requiring review by Group Sustainability and approval from the GMC. This centralised approach facilitates knowledge sharing across the organisation, from leadership to teams and vice versa, supporting informed decision-making and adherence to sustainability best practices.



## SUSTAINABILITY GOVERNANCE

### SUSTAINABILITY RISK MANAGEMENT

Following the integration of the Task Force on Climate-Related Financial Disclosures (TCFD) into IFRS S1 and S2, Sime has continued maturing the Group's sustainability reporting, guided by IFRS recommendations, and integrating them into our RMSC governance structure. This gives us confidence in our ability to identify, assess and mitigate sustainability-related risks across the Group. Substantial milestones were achieved in FY2025, with the completion of the Climate Scenario Analysis to integrate climate risk into the Risk Management Framework and our Enterprise Risk Management (ERM) system.

 Refer to the Highlights section of *Climate Change* on page 73 for details on Climate Scenario Analysis and the work on Climate Change Risk Assessment Guideline on page 41.

### SUSTAINABILITY-RELATED POLICIES AND GUIDELINES

Policies and guidelines are essential for managing operations and addressing key business matters across the Group. In 2025, the Group Policies & Authority (GPA) was updated to reflect the new organisational hierarchy and reporting line through the Group Chief Corporate Services Officer, while maintaining a strong focus on integrating principles and sustainability into operations. For common material matters, we follow Bursa Malaysia's Sustainability Reporting Guide (3<sup>rd</sup> Edition) to ensure transparent disclosure. Additional sustainability data is available at [www.sime.com](http://www.sime.com).

### STATEMENT OF INTERNAL REVIEW

The Group Corporate Assurance (GCA) department, reporting directly to the Governance and Audit Committee (GAC), provided an internal review of the reported common material matters as well as the achievements against our Blueprint Targets – Target 1, 2 and 3.

### SUSTAINABILITY LEADERSHIP AND ENGAGEMENT

We actively participate in industry associations, conferences and networking events to look for ways to continuously improve our sustainability initiatives. These forums facilitate knowledge sharing and collaboration enabling us to adopt best practices and to advance our sustainability goals.

| Membership & Associations                                  | Our Contribution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CEO Action Network (CAN)</b>                            | <p>CAN is a Malaysian network of CEOs and board members focused on sustainability advocacy, capacity building, sustainability action plans and performance.</p> <p><b>Our Contribution:</b></p> <p>As members of Workstream 2, we are responsible for raising awareness and building capacity across various levels and functions within member organisations. In FY2025, we participated in organising a knowledge sharing session on "Sustainability Reporting &amp; Assurance – Responding to the Evolving Regulatory Landscape".</p> |
| <b>Bursa Malaysia Sustainability Accelerator Programme</b> | <p>The Bursa Malaysia Sustainability Accelerator Programme aims to accelerate Group 1 Public Listed Companies' alignment with IFRS S1 and S2 standards under the National Sustainability Reporting Framework (NSRF). Through participation in this programme, Sime will be better prepared to meet reporting requirements in FY2026, the first transitional year before full adoption in FY2028.</p>                                                                                                                                     |



## OPTIMISING OUR ENVIRONMENTAL AND SOCIAL FOOTPRINT

We recognise that our operations have an impact on the environment and play a significant role in supporting the well-being of our people and the communities we belong to. We emphasise the importance of these material matters to our stakeholders through our Sustainability Blueprint, employee training and tailored management and governance practices.

### MATERIAL MATTERS

- 1 Health and Safety
- 2 Energy and Emissions Management
- 3 Labour Practices
- 4 Climate Change
- 5 Waste and Effluent Management
- 6 Diversity
- 7 Water Management

### NAVIGATING SUSTAINABILITY CHALLENGES AND OPPORTUNITIES

In 2025, we made significant progress toward our environmental and energy management goals by focusing resources on priority areas and leveraging insights from operational performance data. Our use of renewable energy continues to grow, and we have established strong foundations to support our decarbonisation objectives, aligned with the Sime 5-year Strategy Masterplan. We are enhancing water and waste management by adopting innovative practices and prioritising natural resource management. We promote responsible labour practices and foster an inclusive culture, supporting employee growth through diverse development pathways. Through diversity and well-being programmes, we support our people and communities, particularly in times of need, demonstrating our core value, Care for All. With strong leadership, effective risk control, and a learning culture, our 'No Harm' focus creates a strong foundation to prevent serious injuries and fatalities. This approach fosters a proactive safety culture where people are empowered to speak up, lead by example, and continually improve.

## OPTIMISING OUR ENVIRONMENTAL AND SOCIAL FOOTPRINT

### 1 HEALTH AND SAFETY

#### ► Why Is It Important?

Our No Harm goal prioritises preventing serious injuries and fatalities through strong leadership, effective risk control and a learning culture. We aim to build a proactive safety culture where people are empowered to speak up, lead by example and continually improve, ensuring the protection of employees, contractors, customers and the communities in which we operate.

#### ► Our Approach

- Prioritise Serious Injury and Fatality (SIF) prevention as the core of our No Harm vision.
- Strengthen leadership to drive visible safety engagement and influence safe behaviours.
- Embed strong fundamentals through clear standards, critical controls and consistent execution.
- Streamline systems to simplify processes and boost frontline efficiency.
- Foster a learning culture through proactive reporting, training, Lessons Learned reviews and continual improvement.

#### ► Value Creation for FY2025

- Launched refreshed HSSE Strategy anchored on four strategic themes: Leadership Capability, Excellence in Fundamentals, Simplification and Optimisation and Learning and Resilience.
- Strengthened safety capability through the SELF leadership and culture programme at our Motors operations in New Zealand and at Inokom.
- Reduced TRIFR by 2.68%, supported by improved identification, reporting and review of events with serious injury and fatality potential, including introduction of senior leader reviews of all potential catastrophic incidents.
- Improved management of leading indicators through higher quality safety interactions, stronger near miss and hazard reporting and a 92% close-out rate for high-risk actions.

#### ► Risks & Key Challenges

- Maintain SIF prevention as the core safety focus across diverse operations.
- Prioritise continued improvement in consistent application of critical controls and strengthening frontline capability.
- Enhance leadership visibility and behavioural ownership to sustain progress.
- Simplify systems and improve learning from events to sharpen frontline focus and ensure effective close-out of assurance actions.

#### Planned Activities

##### Short-term

- Expand Visible Safety Leadership and refresh SELF across priority businesses to improve risk awareness and frontline engagement. Launch structured Lessons Learned bulletins to support meaningful learning from events.

##### Medium-term

- Review and strengthen the SIF Prevention Programme, including critical controls and Life Saving Commitments. Enhance well-being initiatives with a stronger focus on mental health and health promotion campaigns.

##### Long-term

- Embed risk-based Layered Assurance to verify critical control effectiveness and strengthen governance across all levels.

#### Highlight

- World Safety Day 2025 saw the launch of Sime's refreshed HSSE Strategy, built on Leadership Capability, Excellence in Fundamentals, Simplification and Optimisation and Learning Culture.
- All operations held local events focused on risk normalisation, with leaders leading safety stand-downs and toolbox talks.
- Teams reflected on recent incidents, near misses and hazards that had been accepted as normal to prompt renewed vigilance.
- Insights gathered helped shape FY2026 tactical plans, reinforcing proactive safety leadership and continuous learning across the organisation.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs



## 2 ENERGY AND EMISSIONS MANAGEMENT

### ► Why Is It Important?

Energy and emissions management focuses on measuring and reducing energy use and related GHG emissions from activities under Sime's operational control. Accurate measurement and sustained reduction efforts are vital to achieving our 2050 Net Zero goal and the 2030 target of a 30% reduction in Scope 1 and 2 emissions from 2020 levels.

### ► Our Approach

Sime manages energy and emissions through an integrated governance model under Board oversight. Group Sustainability tracks and supports performance outcomes via structured data collection, accessible reporting and subject matter experts. Scope 1 and 2 emissions are measured in line with the GHG Protocol. A top-down screening approach is used to assess material Scope 3 categories, based on audited financial statements and recognised emission factors. Sime also engages external experts and participates in Bursa Malaysia's Centralised Sustainability Intelligence Solution for reporting insights.

### ► Value Creation for FY2025

- Installed an additional 6.5 MW of solar photovoltaic systems, increasing onsite solar generation to 14.7 GWh, avoiding approximately 6,400 tCO<sub>2</sub>e.
- Procured green energy in China, Malaysia, Singapore, Australia and New Zealand.
- Trialled lower-emission vehicles in the internal fleet and conducted energy audits in Hong Kong.
- Enhanced business readiness for mandatory Climate-Related reporting.
- Clarified our decarbonisation approach through the development of the Net Zero Roadmap and Climate Response strategy.

### ► Risks & Key Challenges

- Higher operating costs from legacy energy systems.
- Global energy sector transformation has led to price volatility and supply constraints for products like renewable electricity.
- Increased investor scrutiny on emission reduction progress.
- Higher regulatory costs from countries implementing carbon tax regimes.

### Planned Activities

#### Short-term

- Trial low or zero-emission vehicles in countries with large internal fleets.
- Expand rooftop solar and renewable power purchase agreements.
- Leverage Bursa Malaysia's Centralised Sustainability Intelligence Platform to engage with suppliers on Scope 3 emissions.

#### Medium-term

- Transition to low or zero-emission vehicles cost efficiently.
- Continue to expand renewable energy installations.
- Optimise growth in energy demand by developing site efficiency benchmarks.

#### Long-term

- Refine Scope 3 reporting using insights from key OEMs and improved emission calculation practices.

### Highlight

Scope 1 emissions at Sime mainly stem from direct fuel combustion, primarily fleet emissions in Australia, China, Malaysia and New Zealand. While fleet decarbonisation technologies are advancing, long asset lifespans and high replacement costs require long-term planning. Operational teams, supported by ESG Councils and suppliers, have trialled low-emission vehicles in local markets and begun implementing policy changes for structured, cost-effective transition.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs



## OPTIMISING OUR ENVIRONMENTAL AND SOCIAL FOOTPRINT

### 3 LABOUR PRACTICES

#### ► Why Is It Important?

Labour practices remain central to our commitment to fair, safe and inclusive workplaces. In FY2025, we reported across all employee groups, reinforcing transparency and accountability. These practices support well-being, retention and productivity, while aligning with regulatory requirements and stakeholder expectations. Upholding responsible labour standards reflects our ongoing dedication to ethical conduct and sustainable operations.

#### ► Our Approach

- Adhere to the Group's Code of Business Conduct.
- Provide grievance mechanisms and inclusive reporting channels.
- Ensure compliance with labour regulations across all jurisdictions where we operate.
- Engage unions and employee representatives for fair treatment and transparency.

#### ► Value Creation for FY2025

- Enhanced leave benefits, inclusive workforce reporting and structured grievance mechanisms.
- Implemented support programmes for employee development and values-based performance for all employees.

#### ► Risks & Key Challenges

- Disciplinary or legal action if standards are breached.
- Dissatisfaction and increased turnover among employees due to unfair treatment.

#### Planned Activities

##### Short-term

- Enhance operational efficiency for improved customer satisfaction.
- Increase employee development opportunities to boost employee retention and satisfaction.

##### Medium-term

- Consistently foster and strengthen our positive Diversity, Equity and Inclusion (DEI) culture.

##### Long-term

- Maintain exemplary standards in labour practices consistent with industry benchmarks.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs



## 4 CLIMATE CHANGE

### ► Why Is It Important?

Climate change refers to long-term shifts in the Earth's weather patterns, including increasing temperatures, rising sea levels and more frequent extreme weather events. Our Group's response focuses on identifying and managing the associated risks and opportunities, including those emerging from the transition to a low-carbon economy.

### ► Our Approach

- Actively reduce our carbon footprint through operational decarbonisation.
- Advise the Board on climate-related risks and opportunities through the RMSC and integrate the risks and opportunities into our ERM system.
- Establish a climate response identity to align business processes and optimise resource use in support of climate mitigation and adaptation initiatives.
- Focus on value-added climate response projects that improve our return on equity.

### ► Value Creation for FY2025

- Conducted a qualitative climate scenario analysis with an external climate consultant in alignment with IFRS standards. Identified risks and opportunities are now being integrated into Sime's ERM framework.
- Developed a Net Zero Roadmap detailing the strategy and defined actions to transition our operations towards achieving Net Zero GHG emissions by 2050.
- Developed a high-level Scope 3 screening model across all categories to identify the most relevant areas for targeted reporting and decarbonisation efforts.

### ► Risks & Key Challenges

#### Physical risks

- Potential increased damages, losses and costs from extreme weather and gradual climate shifts, with key physical risks including heavy rain, flooding, heat stress and heatwaves.

#### Transition risks

- Potential operational disruptions from the low-carbon transition, with key risks including stricter fuel efficiency standards, carbon pricing, advancing low-carbon technology and reputational risks.

#### Key challenges

- Balancing financial performance with climate considerations amid rapidly evolving regulations and public expectations across our operating countries.

### Planned Activities

#### Short-term

- Advance climate scenario analysis with quantitative insights, publish the Net Zero Roadmap by end of 2025 and maintain alignment with reporting regulations.

#### Medium-term

- Enhance Scope 1, 2 and 3 reporting to support decarbonisation and review adaptation measures informed by the climate scenario analysis.

#### Long-term

- Capitalise on key opportunities, including supporting responsible mining of Energy Transition minerals and fleet transitions to low-emission alternatives.

### Highlight

Sime completed its first qualitative climate scenario analysis across three timeframes and scenarios, supported by an external consultant using International Energy Agency and Intergovernmental Panel on Climate Change frameworks. Key physical risks and potential hotspots identified are monitored via a proprietary risk tool, while transition risks and opportunities are tracked through our ERM system.

➡ Refer to Enterprise Risk Management on page 43 for details on climate-related risks.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs





## OPTIMISING OUR ENVIRONMENTAL AND SOCIAL FOOTPRINT

### 5 WASTE AND EFFLUENT MANAGEMENT

#### ► Why Is It Important?

Effective waste and effluent management supports compliance, reduces environmental risk and improves resource efficiency. At Sime, we focus on reducing waste to landfill, increasing recycling and ensuring hazardous waste is managed safely. This strengthens our licence to operate, lowers operating costs and enables data-driven decisions that support a shift towards more sustainable and circular operations.

#### ► Our Approach

- Embed a consistent, Group-wide approach to waste stewardship that supports long-term sustainability and operational goals.
- Apply the waste hierarchy (avoid, reduce, reuse, recycle) across all operations to minimise environmental impact and promote resource efficiency.
- Monitor waste performance monthly to drive improvements and ensure compliance.
- Strengthen waste classification, segregation and traceability at operational site level.
- Partner with qualified waste providers to improve handling, recovery and disposal outcomes.

#### ► Value Creation for FY2025

- Achieved a Group-wide recycling rate of 58%, just below our 60% target, driven by improved landfill diversion and site-led recovery efforts.
- Piloted innovative programmes such as tyre recycling and packaging waste reduction through supply chain collaboration.
- Strengthened partnerships with waste contractors to enhance compliance, recovery performance and data quality.

#### ► Risks & Key Challenges

- Limited recycling services in some regions, requiring localised recovery solutions.
- Compliance and environmental risks from hazardous waste, which is mitigated through consistent controls and oversight.
- Manual collation of waste data, reducing efficiency and visibility.
- Opportunity to improve site behaviours and leadership focus to enhance waste segregation and embed a stronger culture of waste stewardship.

#### Planned Activities

##### Short-term

- Improve on-site waste handling and segregation practices through waste stream assessments and more accurate data reporting.
- Continue to strengthen responsible waste management practices by implementing safe collection, storage and recycling pathways for end-of-life EV batteries, in alignment with emerging industry and regulatory standards.

##### Medium-term

- Collaborate with waste contractors to optimise recovery, explore new reuse pathways and enhance performance by waste stream.

##### Long-term

- Target high-volume, high-cost waste streams with innovation, alternative treatments and tailored solutions for sites with limited waste services.

#### Highlight

Tyres represent a major waste stream in our Motors business and in FY2025, targeted recycling initiatives delivered strong results. In Taiwan, 100% of end-of-life tyres were recycled into rubber asphalt and reclaimed rubber products. In Australia, the retail operations of Sime Motors repurposed used tyres into rubber granules for athletic tracks, playgrounds, equestrian surfaces and sporting fields. In Queensland alone, around 48 tonnes of tyre rubber were diverted from landfill through this programme. These initiatives reflect our commitment to circularity and help reduce our environmental footprint across key markets.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs



## 6 DIVERSITY

### ► Why Is It Important?

Diversity in a workplace is where every individual, regardless of background, feels valued, respected and empowered to reach their full potential. By embracing the richness of our diverse workforce, including gender and generational perspectives, we create an environment of innovation, engagement and collective success.

### ► Our Approach

- Influence positive organisational culture through proactive practices towards an open and inclusive work environment.
- Prioritise employee well-being and safety through education, support programmes and open communication channels.
- Enhance career development through mentorship, coaching and recognition programmes, with a specific focus on empowering women.
- Embed inclusive values into our organisational culture and processes, consequently promoting culture, gender, ability and generational diversity.
- Address discrimination and misconduct through robust investigation and corrective actions.
- Implement robust reporting and support mechanisms while complying with all regulatory requirements.

### ► Value Creation for FY2025

- Launched initiatives like 'Together as One', Women Leadership Forums, cultural events and well-being support.
- Offered scholarships and Special Needs Bursary for Persons with Disabilities.
- Rolled out people integration programmes for new acquisitions, aligning company values and operational practices.
- Revised parental leave benefits in Malaysia to enhance inclusivity and well-being.
- Continued market-driven recognition awards to reinforce core values.
- Began shaping a clear, impactful DEI strategy aligned with long-term goals.

### ► Risks & Key Challenges

- Inadequate diversity and inclusion strategies can hinder talent acquisition and retention.
- Lack of inclusivity can erode employee morale, productivity and overall organisational performance.

### Planned Activities

#### Short-term

- Continue to embed our values into our performance and development framework. Expand our female empowerment programmes and increase awareness of mental health and well-being through targeted campaigns and support resources.

#### Medium-term

- Define Sime's DEI Strategy. Enhance the sense of inclusion and belonging among employees. Promote our recognition programmes to encourage positive behaviours and diversity and inclusion.

#### Long-term

- Enhance our diversity and inclusion policies, aligning it to our organisation processes and business goals.

### Highlight

As part of the Together as One programme, Hastings Deering has launched events and workshops focused on bridging multi-generational perspectives in the workplace. The initiative encouraged cross-generational dialogue and provided resources to support understanding and inclusion. Emphasis was placed on navigating unconscious bias to ensure all employees feel respected and valued. By fostering openness and empathy, the campaign supports a more inclusive culture where diverse experiences contribute to collective success.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs



## OPTIMISING OUR ENVIRONMENTAL AND SOCIAL FOOTPRINT

### 7 WATER MANAGEMENT

#### ► Why Is It Important?

Effective water management at Sime supports operational continuity, compliance, community expectations, cost efficiency and local ecosystem protection. We prioritise reducing consumption, maximising reuse and recycling and meeting discharge obligations.

#### ► Our Approach

- Prioritise high-consumption and water-stressed sites to reduce operational and environmental risks.
- Align water management practices with site Tactical Plans and capital project delivery.
- Monitor municipal, harvested and recycled water use monthly to inform local actions and improve efficiency.
- Strengthen site capability and ownership through clear standards, targeted training and performance oversight.

#### ► Value Creation for FY2025

- Integrated water stewardship into site tactical plans.
- Enhanced visibility of site performance and efficiency opportunities through improved reporting and targeted assessments at high-risk, high-consumption sites.

#### ► Risks & Key Challenges

- Increased exposure to supply constraints at high water-risk sites, requiring proactive continuity planning.
- Ageing or inadequate onsite treatment and reuse infrastructure, especially at legacy sites.
- Reduced visibility of site-level water consumption due to limited metering and inconsistent data.
- Increased regulatory pressure on water use and discharge requirements.

#### Planned Activities

##### Short-term

- Develop stewardship plans and implement targeted improvements at high-usage, water-stressed sites to cut consumption, boost resilience and reduce compliance risks.

##### Medium-term

- Ensure all sites in high water risk regions have comprehensive water management plans that consider local supply risks, regulatory constraints and operational dependencies.
- Support site-level efficiency projects through engineering interventions and targeted investment.

##### Long-term

- Establish sustainable and resilient water management across all high-risk regions, to ensure continuity, reduce external dependency and align with broader environmental goals.

#### Highlight

In line with Sime's water management strategy, targeted site-level actions are reducing reliance on potable water and promoting more sustainable usage. At Performance Motors in Singapore, the introduction of an opt-out option for complimentary car washes resulted in water savings of over 300,000 litres in FY2025. Similarly, Hastings Deering in Brisbane implemented water harvesting systems for pre-wash activities, saving more than 500,000 litres of potable water during the same period.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs





## INSPIRING OUR EMPLOYEES TO DELIVER MEANINGFUL CHANGE

With sustainability principles integrated into our business strategy, employees remain the key drivers of our progress. Supporting their growth and well-being secures long-term value for the organisation.

### MATERIAL MATTERS

- 1 Employee Training and Development
- 2 Community Contributions and Development

### PEOPLE AT THE HEART OF PROGRESS

Over the past year, our people's dedication and skills have underpinned our success. We prioritised talent development, created professional advancement pathways and fostered a high-performance culture. Through targeted training and strong performance management, employees were empowered to grow and progress in their careers.

Our commitment to people also extends to generating positive social outcomes. In Malaysia, Yayasan Sime Darby leads our community initiatives, while in other regions we partner with local NGOs. We promote employee volunteerism, build meaningful community partnerships and implement programmes focused on education, environmental stewardship and well-being.

In FY2025, we contributed RM31.76 million and reached 251 organisations and distinct programmes we consider our beneficiaries through education, community well-being and environmental initiatives. By forging strategic partnerships and driving proactive efforts, we aim to create lasting impact while building a responsible organisation that nurtures talent, supports communities and delivers stakeholder value.

# INSPIRING OUR EMPLOYEES TO DELIVER MEANINGFUL CHANGE

## 1 EMPLOYEE TRAINING AND DEVELOPMENT

### ► Why Is It Important?

By strategically investing in employee training and talent development, Sime aims to develop a high-performing and engaged workforce. We align learning and development experiences with business goals to enhance employee capabilities, drive retention and ensure sustainable organisational success.

### ► Our Approach

- Align talent development with business objectives and organisational values.
- Build a strong talent pipeline through upskilling and development programmes, focused on leadership development.
- Offer specialised training for different employee levels and external certifications to enhance technical and functional skills.
- Prioritise employee well-being through coaching and career planning support.
- Support employees with frameworks and policies, including the Performance and Development Framework, Training Policy and Employee Education Assistance Policy.

### ► Value Creation for FY2025

- Enhanced leadership through Aspiring Leaders, People Managers, Strategic Leaders and Global Business Leaders programmes.
- Strengthened talent pipeline with Apprenticeship/TVET (500+ participants) and Management Trainee (45+ participants) programmes.
- Boosted digital proficiency with AI masterclasses.
- Enhanced personal and professional development via Employee Education Sponsorship.
- Improved customer focus through product and service training.
- Fostered a positive approach to safety through our SELF safety culture programme.
- Launched eLearning on cybersecurity, sustainability, Our Purpose & Values and Performance Management Framework to enhance awareness and capability across these critical areas.

### ► Risks & Key Challenges

- Disrupted operations and compromised company values due to inadequate training.
- Reduced organisational productivity and increased errors arising from low employee productivity.
- Hindered achievement of business objectives due to poor employee performance.

### Planned Activities

#### Short-term

- Standardise eLearning delivery, focusing on business-critical topics.
- Identify and address immediate skill gaps with targeted training programmes.
- Enhance internal mobility and upskilling opportunities.

#### Medium-term

- Roll-out of bespoke Sime development programmes, including learning and management trainee initiatives.
- Deepen application of the Performance and Development Framework to strengthen performance management and coaching culture.

#### Long-term

- Continue development of TVET programmes and sustainability training to align with industry demands.

### Highlight

Sime Group Talent and Leadership launched the inaugural Global Business Leaders Programme, co-designed with IMD Business School, to shape future-ready leaders across the Group.

The programme brought together 26 senior leaders from seven markets, embarking on a transformative nine-month blended learning journey that combined world-class insight with real-world business impact.

Participants walked away with sharpened strategic thinking, enhanced cross-functional influence and a renewed sense of purpose. Many committed to applying their learning directly in-role, linking it to their performance agreements for measurable outcomes.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs



## 2 COMMUNITY CONTRIBUTIONS AND DEVELOPMENT

### ► Why Is It Important?

Our community contributions support the socio-economic well-being of the communities where we operate, fostering inclusive growth, stakeholder trust and long-term resilience. This commitment spans all Sime operations globally.

### ► Our Approach

- Guide community engagement through a Corporate, Social Responsibility (CSR) framework focused on creating shared value and long-term impact.
- Promote employee volunteerism and community partnerships in education, environment and well-being.
- Align efforts with Sime's Sustainability Blueprint and sustainability principles to ensure inclusive development and governance.
- Tailor regional programmes with local NGOs to address specific community needs.
- Drive consistency in execution through strong governance and structured yet flexible approaches across regions.

### ► Value Creation for FY2025

Sime remains committed to delivering measurable, sustainable value to the communities we serve. In FY2025, we achieved the following:

- Total community investment: RM31.76 million across philanthropic contributions, community projects and CSR partnerships.
- Individuals impacted: 251 beneficiary organisations reached through education, community well-being and environmental programmes.

### ► Risks & Key Challenges

- Reputational risks from unclear expectations and communication.
- Lack of information on stakeholders' needs due to gaps in consultation and needs assessments.
- Unable to address evolving community needs due to lack of continuous feedback.
- Community resistance to CSR initiatives.
- Significant negative impacts to the community from ineffective risk management.

#### Planned Activities

##### Short-term

- Formalise and implement the CSR framework and enhance programme impact monitoring.

##### Medium-term

- Expand collaborations, including with NGOs and community partners to broaden reach and diversify impact.

##### Long-term

- Establish long-term impact tracking mechanisms and integrate learnings into future community investments.

#### Capitals



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## ENGAGING IN SUSTAINABLE PARTNERSHIPS

Customer satisfaction remains at the heart of our operations. We build sustainable partnerships by exceeding expectations, ensuring business continuity and upholding the highest ethical standards. We also prioritise a culture of integrity, transparency and compliance to build trust while establishing a responsible supply chain that safeguards our environment and community.

### MATERIAL MATTERS

- 1 Business Continuity
- 2 Customer Satisfaction
- 3 Business Ethics and Compliance
- 4 Responsible Supply Chain

### COLLABORATIVE GROWTH THROUGH SUSTAINABLE PARTNERSHIPS

In FY2025, we reinforced our commitment to environmental protection, ethical conduct and customer focus by building sustainable partnerships. Investments in our people, technology and supply chain enhanced adaptability and fulfilled our need for strong risk management and operational resilience. A deep understanding of customer needs drove innovation and digital transformation, improving service delivery and online experiences. We also supported local suppliers, particularly Small and Medium-sized Enterprises (SMEs) to strengthen our value chain and uplift communities. While we've made good progress, we continue to seek out areas for improvement. One confirmed corruption case was reported during the year, which had no material financial impact and which was resolved through established procedures. Moving forward, we remain focused on fostering strong partnerships and leveraging technology to deliver long-term stakeholder value.

## 1 BUSINESS CONTINUITY

### ► Why Is It Important?

Business continuity is essential to sustaining resilience and performance. Through proactive planning and a structured continuity framework, Sime safeguards critical operations, minimises downtime and enables swift recovery. These efforts protect stakeholder interests and ensure value delivery despite unforeseen disruptions.

### ► Our Approach

- Established a formal business continuity management (BCM) policy, framework, governance structure and its supporting plans, including Emergency Response Plan, Crisis Communications Plan, IT Disaster Recovery Plan, Cyber Incident Response Plan and Business Continuity Plan.
- Maintain a structured, risk-based BCM approach aligned with ISO 22301:2019, attaining BCMS certification for two Sime UMW subsidiaries.
- Conduct regular threat assessments, business impact analyses and simulation exercises to ensure readiness.
- Integrate and continuously enhance the BCM programme to support long-term sustainability.

### ► Value Creation for FY2025

- Expanded BCM simulation exercises to key markets in Southeast Asia, Australia and China.
- Conducted full-scale IT disaster recovery drills and targeted crisis communication training to improve readiness.
- Developed and tested response strategies for five critical disruption scenarios, including workplace inaccessibility and supply chain disruption.
- Enhanced the BCM programme at our assembly plant and advanced BCM digitalisation in Sime UMW to streamline processes and improve real-time visibility.

### ► Risks & Key Challenges

- Evolving regulatory requirements and a dynamic external environment demand proactive risk management, agility and coordinated stakeholder engagement.
- Exposure to cyber threats, data protection risks, supply chain disruptions, system failures and workforce unavailability poses challenges to operational continuity.
- Inconsistent awareness and application of business continuity practices across regions and functions may weaken overall resilience.

### Planned Activities

#### Short-term

- Strengthen BCM awareness through targeted training, simulation exercises and testing of existing plans across all regions.

#### Medium-term

- Address emerging risks such as cyber disruptions and supply chain fragility by enhancing and standardising BCM plans through regular assessments.

#### Long-term

- Reduce long-term vulnerability by embedding BCM principles into the Group's culture and decision-making, building resilience, strengthening stakeholder confidence and supporting sustainable growth.

### Highlight

In FY2025, several operating units conducted comprehensive BCM simulations covering key disruption scenarios such as workplace inaccessibility, IT failure, manpower shortage, supply chain disruption and machinery breakdown. These exercises tested crisis response across multiple domains, including safety procedures, internal communication, business continuity activation and IT disaster recovery. Lessons learned were shared across entities to strengthen consistency, reinforce organisational resilience and enhance continuity preparedness across the Group's broader operations.

#### Capitals



#### Strategy Pillars



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## ENGAGING IN SUSTAINABLE PARTNERSHIPS

### 2 CUSTOMER SATISFACTION

#### ► Why Is It Important?

Customer satisfaction is key to Sime's long-term success, driving loyalty, repeat business and brand strength. As a leading Asia Pacific trading partner, delivering exceptional customer experiences supports market leadership, product diversification and sustainable growth. It also reinforces Sime's role as an end-to-end solutions provider, ensuring continued relevance in evolving markets.

#### ► Our Approach

- Provide our customers with omnichannel solutions and multiple touch points to enhance their customer experience.
- Deliver tailored solutions and exceptional support throughout the customers' ownership journey.
- Upgrade supply chain facilities to improve efficiency and throughput, supporting growing customer demand.
- Implement digital solutions to enhance the efficiency of customer processes.

#### ► Value Creation for FY2025

- Enabled users to browse vehicle models, get trade-in quotes and book service appointments via mobile apps.
- Provided instant vehicle valuations for trade-ins or sales.
- Maintained ISO 9001:2015 accreditation at Terra Analytical for five consecutive years with zero non-conformances.
- Introduced Customer Onboarding Process at Tractors Singapore Limited (TSL), enhancing customer experience.
- Achieved High Performing Supplier Group recognition by Rolls-Royce for UMW Aerospace for five consecutive years.

#### ► Risks & Key Challenges

- Loss of market share due to customer dissatisfaction.
- Impaired reputation and increased costs from supply chain risks.
- Possible limitations on business growth opportunities.
- Impacted brand relevance by failing to meet evolving customer expectations such as sustainability, connectivity, and personalisation.

#### Planned Activities

##### Short-term

- Deliver tailored solutions and improve service efficiency with digital tools and feedback mechanisms.
- Sime UMW to expand hybrid vehicle offerings as an alternative to BEVs in Malaysia.

##### Medium-term

- Support customer decarbonisation efforts, enhance product quality and improve employee capabilities.
- Sime UMW to launch Mobility-as-a-Service (MaaS) pilot programmes.

##### Long-term

- Achieve a competitive edge through innovation and improved customer satisfaction.
- Establish a fully integrated MaaS ecosystem.

#### Capitals



#### Strategy Pillars



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### 3 BUSINESS ETHICS AND COMPLIANCE

#### ► Why Is It Important?

Business ethics underpin our operations with integrity, transparency and strict compliance with anti-bribery and anti-corruption laws embedded throughout. We enforce a zero-tolerance policy on corruption and equip employees to uphold the highest ethical standards through clear governance, defined policies and ongoing training, reinforcing our commitment to integrity across the organisation.

#### ► Our Approach

- Demonstrate strong compliance and integrity commitment from the Board and senior management via the RMSC and Anti-Bribery and Anti-Corruption Steering Committee (ABC SC).
- Implement key policies, including the Anti-Bribery and Anti-Corruption Policy, Code of Business Conduct and Whistleblowing Charter and Framework.
- Conduct regular compliance assessments using the Regulatory Compliance Monitoring Questionnaire (RCMQ).
- Report regulatory compliance status to the RMSC on a quarterly basis.

#### ► Value Creation for FY2025

- Completed the Corruption Risk Assessment (CRA) for FY2025, an exercise to identify and prioritise risks from a bribery and corruption perspective and commenced CRA for FY2026.
- Raised ABC awareness via a Group-wide announcement in conjunction with International Anti-Corruption Day.
- Promoted Gifts, Hospitality and Donations (GHD) awareness through festive messages via Group-wide announcements as well as the yourTrust app, reaching a targeted 1,997 employees<sup>1</sup>.
- Conducted GHD and ABC training in China, engaging 1,578 employees.
- Facilitated mandatory annual e-learning on ABC and the Code of Business Conduct for all employees across the Group.
- Conducted training on conflict of interest for Board members and Senior Management.

<sup>1</sup> The yourTrust app is used by employees in front facing roles across the Group who are more likely to be involved in business transactions with external parties.

#### ► Risks & Key Challenges

- Reputational damage to bribery and corruption incidents.
- Fines due to non-compliance with laws.
- Loss of stakeholder trust due to ethical lapses and non-compliance.
- Financial loss from dishonest conduct.

#### Planned Activities

##### Short-term

- Conduct regular compliance assessments and monitoring using the RCMQ.
- Enhance the GHD Procedure.

##### Medium-term

- Complete the corruption risk assessment for FY2026, focusing on key markets.
- Strengthen ongoing awareness of anti-bribery and anti-corruption, particularly whistleblowing and conflict of interest.

##### Long-term

- Revalidate the Sime Anti-Corruption Plan to ensure continued effectiveness and relevance.

#### Highlight

We believe ethical conduct is more than just a policy or a set of rules. It's a personal journey that each of us embarks on every day. To reinforce this commitment, we provide a mandatory e-learning programme for all employees focused on the Code of Business Conduct and ABC.

These comprehensive training programmes cover essential topics such as ABC, group policies and authorities, conflict of interest, gifts, hospitality and donations and whistleblowing. By addressing these critical areas, our e-learning programmes equip employees with the knowledge and tools to make informed ethical decisions and contribute to a positive and transparent work environment.

We reinforce our culture of integrity and accountability by providing our employees tools that empower them to make ethical choices and uphold the highest standards of conduct.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs



## ENGAGING IN SUSTAINABLE PARTNERSHIPS

### 4 RESPONSIBLE SUPPLY CHAIN

#### ► Why Is It Important?

We build a resilient supply chain by prioritising ethical standards, environmental stewardship and social responsibility. Proactively driving sustainable practices, we ensure the well-being of our partners and communities while adhering to strict regulatory compliance and effective risk management. Our commitment to transparency and accountability enables us to consistently deliver long-term value, advance sustainability and foster positive impact throughout our network.

#### ► Our Approach

- Ensure workers' rights are upheld across the value chain, including suppliers, in accordance with the Human Rights Charter.
- Maintain strong adherence to our Vendor Code of Business Conduct, ensuring that vendors continue to present exemplary standards of ethics and integrity.
- Conduct screening of both new and current suppliers for risks associated with sanctions, bribery and corruption by implementing thorough vendor due diligence processes.

#### ► Value Creation for FY2025

- Enhanced sustainability throughout our supply chain by providing focused support to vendors, with an emphasis on SMEs.
- Prioritised local suppliers, fostering community development and stimulating economic growth.
- Increased efficiency with digital procurement systems that streamline workflows.

#### ► Risks & Key Challenges

- Failure to comply with labour laws and standards may result in lawsuits, fines or penalties.
- Supply chain disruptions from supplier misconduct or environmental events.
- Strained relationships with customers, investors and other stakeholders due to ethical lapses.

#### Planned Activities

##### Short-term

- Conduct an ESG maturity assessment for key vendors as part of the Group's Responsible Sourcing programme.

##### Medium-term

- Incorporate the Responsible Sourcing Programme into the procurement policy under the guidance of the Group Procurement Leadership Council and conduct ESG risk assessments across the supply chain.

##### Long-term

- Establish a robust supplier network committed to sustainability and ethical business practices.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs







## DRIVING SUSTAINABLE INNOVATION AND TECHNOLOGY

Our purpose-driven culture of efficiency drives innovative solutions to customers by nurturing beneficial partnerships and prioritising sustainable product offerings, all while upholding strict data privacy and security standards.

### MATERIAL MATTERS

- 1 Data Privacy and Security
- 2 Sustainable Product Offering

### TRANSFORMING IDEAS INTO IMPACT

Through a diverse product range and multi-pathway strategy, Sime promotes practical and inclusive mobility solutions tailored to global energy needs. During the year, Sime Motors expanded its EV portfolio by securing dealership rights for Polestar, Geely and Denza, while Perodua (part of Sime UMW) is set to launch a new EV, reinforcing our commitment to sustainable mobility. Looking ahead, we will continue to invest in research and development, localise assembly and explore emerging technologies and strengthen partnerships.

Over the last five years, Sime Industrial has introduced over 160 Caterpillar products, enhancing fuel efficiency, productivity and emissions performance, progressing towards a more fuel-efficient portfolio.

We also maintained our strong track record in data privacy, with zero breaches and no major risks to customer privacy.



## DRIVING SUSTAINABLE INNOVATION AND TECHNOLOGY

### 1 DATA PRIVACY AND SECURITY

#### ► Why Is It Important?

Sime understands the importance of data protection and security for our customers, employees and OEMs as they entrust us to safeguard sensitive information. In addition, protecting data from unauthorised access upholds trust, ensures compliance with regulations and protects business continuity.

#### ► Our Approach

- Comprehensive, multi-layered data protection and security strategy.
- Combine data classification, strict access controls and strong encryption.
- Implement continuous monitoring and incident response
- Align with regulatory requirements.
- Fosters cyber resilience by emphasising employee security training, supported by robust processes and targeted technologies.

#### ► Value Creation for FY2025

- Recorded zero breaches and identified no significant risks affecting customer privacy.
- Implementation of an enhanced Security Operation Center (SOC) for proactive cybersecurity monitoring and incident response.
- Development of Cross Border Data Transfer Framework to ensure efficient data governance.
- Strict adherence to responsibilities and regulations in accordance with Personal Data Protection Act 2010.

#### ► Risks & Key Challenges

- Countering increasingly advanced and evolving cyber threats.
- Adapting to rapid technological changes and addressing emerging vulnerabilities.
- Navigating complex and evolving data privacy regulations to ensure compliance.

#### Planned Activities

##### Short-term

- Expand the Third-Party Risk Management initiative to encompass a broader range of vendors, strengthening supply chain security.

##### Medium-term

- Ensure robust protection of sensitive data through comprehensive controls and maintain strict compliance with relevant regulations.

##### Long-term

- Advance toward an AI-driven SOC to enhance threat detection, response capabilities, and operational efficiency.

#### Capitals



#### Strategy Pillars



#### Stakeholders



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## 2 SUSTAINABLE PRODUCT OFFERING

### ► Why Is It Important?

Sustainable product offerings are designed to reduce environmental impact at every stage of the product life cycle, from material sourcing through to disposal. We are committed to delivering progressively energy-efficient and environmentally sustainable solutions that advance decarbonisation, address changing customer requirements and uphold high standards of performance and functionality.

### ► Our Approach

- Prioritise electric, hybrid and hydrogen vehicles as key mobility solutions across our motor vehicle lineup.
- Strengthen product offerings with better fuel efficiency, higher productivity and cleaner emissions.
- Embed sustainable practices through innovative product designs that focus on rebuild and remanufacturing.
- Streamline the adoption of future-ready, inclusive mobility solutions guided by the OEMs we represent.

### ► Value Creation for FY2025

- Built 15 cogeneration systems using Kawasaki engines to help industries improve energy efficiency and manage long-term service agreements for over 10 of these systems.
- Secured dealership rights for Polestar and Geely in Brisbane, Australia and Denza in Singapore and Malaysia, with all three brands offering hybrid and battery electric vehicles, strengthening our portfolio of sustainable product offerings.
- Launched Toyota Camry XV80 Hybrid and Mirai FCEV in Malaysia to complement BEV products in the market.
- Surpassed our target of 50% more energy-efficient products in our portfolio in FY2025 compared to the FY2020 baseline.

### ► Risks & Key Challenges

- Brand risk and loss of market share from slow adoption of green solutions.
- Value concerns and lack of customer acceptance about the price positioning of energy-efficient products.
- High upfront costs and limited infrastructure for the EV market.
- Transition challenges through supply chain shortages, high research and development costs and policy uncertainty.
- Risk of greenwashing through opaque reporting and unclear communications.

### Planned Activities

#### Short-term

- Expand our BEV/PHEV product portfolio and monitor delivery of energy-efficient offerings.

#### Medium-term

- Localise electric drivetrain assembly in Malaysia and co-develop sustainable products with principals and customers.

#### Long-term

- Promote wider adoption of fuel cell electric vehicles and hydrogen drivetrains.

#### Capitals



#### Strategy Pillars



#### Stakeholders



#### SDGs



# PERFORMANCE DATA TABLE FROM BURSA MALAYSIA ESG REPORTING PLATFORM

| Indicator                                                                                                                | Measurement Unit      | 2024                      | 2025                          |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------|-------------------------------|
| <b>Bursa (Health and safety)</b>                                                                                         |                       |                           |                               |
| Bursa C5(a) Number of work-related fatalities                                                                            | Number                | 2                         | 0                             |
| Bursa C5(b) Lost time incident rate ("LTIR")                                                                             | Rate                  | 0.21                      | 0.21                          |
| Bursa C5(c) Number of employees trained on health and safety standards                                                   | Number                | 25,018                    | 21,043                        |
| <b>Bursa (Energy management)</b>                                                                                         |                       |                           |                               |
| Bursa C4(a) Total energy consumption                                                                                     | Megawatt <sup>^</sup> | 1,646,224.00 <sup>^</sup> | 1,559,736.00 <sup>^</sup>     |
| <b>Bursa (Emissions management)*</b>                                                                                     |                       |                           |                               |
| Bursa C11(a) Scope 1 emissions in tonnes of CO2e                                                                         | Metric tonnes         | -                         | No Data Provided <sup>^</sup> |
| Bursa C11(b) Scope 2 emissions in tonnes of CO2e                                                                         | Metric tonnes         | -                         | No Data Provided <sup>^</sup> |
| Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting) | Metric tonnes         | -                         | No Data Provided <sup>^</sup> |
| <b>Bursa (Labour practices and standards)</b>                                                                            |                       |                           |                               |
| Bursa C6(a) Total hours of training by employee category                                                                 |                       |                           |                               |
| Management                                                                                                               | Hours                 | 19,537                    | 29,085                        |
| Executive                                                                                                                | Hours                 | 82,374                    | 133,126                       |
| Non-Executive                                                                                                            | Hours                 | 184,702                   | 199,650                       |
| Workers                                                                                                                  | Hours                 | 116,618                   | 326,675                       |
| Bursa C6(b) Percentage of employees that are contractors or temporary staff                                              | Percentage            | 6.00                      | 8.00                          |
| Bursa C6(c) Total number of employee turnover by employee category                                                       |                       |                           |                               |
| Executive and above                                                                                                      | Number                | 776                       | 843                           |
| Non-Executive                                                                                                            | Number                | 1,623                     | 1,706                         |
| Workers                                                                                                                  | Number                | 882                       | 833                           |
| Bursa C6(d) Number of substantiated complaints concerning human rights violations                                        | Number                | 0                         | 0                             |
| <b>Bursa (Waste management)*</b>                                                                                         |                       |                           |                               |
| Bursa C10(a) Total waste generated                                                                                       | Metric tonnes         | -                         | No Data Provided <sup>^</sup> |
| Bursa C10(a)(i) Total waste diverted from disposal                                                                       | Metric tonnes         | -                         | No Data Provided <sup>^</sup> |
| Bursa C10(a)(ii) Total waste directed to disposal                                                                        | Metric tonnes         | -                         | No Data Provided <sup>^</sup> |
| <b>Bursa (Diversity)</b>                                                                                                 |                       |                           |                               |
| Bursa C3(a) Percentage of employees by gender and age group, for each employee category                                  |                       |                           |                               |
| Age Group by Employee Category                                                                                           |                       |                           |                               |
| Top Management Baby Boomers (1962 & earlier)                                                                             | Percentage            | 15.30                     | 12.16                         |
| Top Management Gen X (1963 - 1979)                                                                                       | Percentage            | 78.80                     | 83.78                         |
| Top Management Gen Y (1980 - 1996)                                                                                       | Percentage            | 5.90                      | 4.06                          |
| Top Management Gen Z (1997 & later)                                                                                      | Percentage            | 0.00                      | 0.00                          |
| Senior Management Baby Boomers (1962 & earlier)                                                                          | Percentage            | 10.95                     | 6.11                          |
| Senior Management Gen X (1963 - 1979)                                                                                    | Percentage            | 76.64                     | 77.22                         |
| Senior Management Gen Y (1980 - 1996)                                                                                    | Percentage            | 12.41                     | 16.67                         |
| Senior Management Gen Z (1997 & later)                                                                                   | Percentage            | 0.00                      | 0.00                          |
| Middle Management Baby Boomers (1962 & earlier)                                                                          | Percentage            | 5.20                      | 3.59                          |
| Middle Management Gen X (1963 - 1979)                                                                                    | Percentage            | 60.40                     | 57.18                         |
| Middle Management Gen Y (1980 - 1996)                                                                                    | Percentage            | 34.40                     | 39.12                         |
| Middle Management Gen Z (1997 & later)                                                                                   | Percentage            | 0.00                      | 0.11                          |
| Junior Executives Baby Boomers (1962 & earlier)                                                                          | Percentage            | 3.83                      | 3.41                          |
| <div>Internal assurance</div> <div>External assurance</div> <div>No assurance</div>                                      |                       |                           |                               |
| (*)Restated                                                                                                              |                       |                           |                               |

<sup>^</sup> Bursa C4(a) Total Energy Consumption, Bursa unit of measure incorrect should be Gigajoules as per Bursa reporting guidelines.

<sup>#</sup> Not a Bursa Mandated Metric; however platform not updated to remove and reflect Practice Note 9 Requirements.

| Indicator                                                                                                           | Measurement Unit | 2024               | 2025          |
|---------------------------------------------------------------------------------------------------------------------|------------------|--------------------|---------------|
| Junior Executives Gen X (1963 - 1979)                                                                               | Percentage       | 33.35              | 32.06         |
| Junior Executives Gen Y (1980 - 1996)                                                                               | Percentage       | 53.07              | 54.55         |
| Junior Executives Gen Z (1997 & later)                                                                              | Percentage       | 9.75               | 9.98          |
| Non-Executive Baby Boomers (1962 & earlier)                                                                         | Percentage       | 1.90               | 1.70          |
| Non-Executive Gen X (1963 - 1979)                                                                                   | Percentage       | 20.10              | 22.53         |
| Non-Executive Gen Y (1980 - 1996)                                                                                   | Percentage       | 60.40              | 60.54         |
| Non-Executive Gen Z (1997 & later)                                                                                  | Percentage       | 17.60              | 15.23         |
| Workers Baby Boomers (1962 & earlier)                                                                               | Percentage       | 2.47               | 2.07          |
| Workers Gen X (1963 - 1979)                                                                                         | Percentage       | 16.96              | 16.68         |
| Workers Gen Y (1980 - 1996)                                                                                         | Percentage       | 47.30              | 52.26         |
| Workers Gen Z (1997 & later)                                                                                        | Percentage       | 33.27              | 28.99         |
| Gender Group by Employee Category                                                                                   |                  |                    |               |
| Top Management Male                                                                                                 | Percentage       | 85.00              | 81.08         |
| Top Management Female                                                                                               | Percentage       | 15.00              | 18.92         |
| Senior Management Male                                                                                              | Percentage       | 80.00              | 79.44         |
| Senior Management Female                                                                                            | Percentage       | 20.00              | 20.56         |
| Middle Management Male                                                                                              | Percentage       | 72.00              | 71.88         |
| Middle Management Female                                                                                            | Percentage       | 28.00              | 28.12         |
| Junior Executives Male                                                                                              | Percentage       | 65.00              | 65.69         |
| Junior Executives Female                                                                                            | Percentage       | 35.00              | 34.31         |
| Non-Executive Male                                                                                                  | Percentage       | 71.00              | 73.86         |
| Non-Executive Female                                                                                                | Percentage       | 29.00              | 26.14         |
| Workers Male                                                                                                        | Percentage       | 91.00              | 81.26         |
| Workers Female                                                                                                      | Percentage       | 9.00               | 18.74         |
| Bursa C3(b) Percentage of directors by gender and age group                                                         |                  |                    |               |
| Male                                                                                                                | Percentage       | 75.00              | 75.00         |
| Female                                                                                                              | Percentage       | 25.00              | 25.00         |
| Under 30                                                                                                            | Percentage       | 0.00               | 0.00          |
| Between 30-50                                                                                                       | Percentage       | 0.00               | 0.00          |
| Above 50                                                                                                            | Percentage       | 100.00             | 100.00        |
| <b>Bursa (Water)</b>                                                                                                |                  |                    |               |
| Bursa C9(a) Total volume of water used                                                                              | Megalitres       | 1,367.000000       | 1,770.000000  |
| <b>Bursa (Community/Society)</b>                                                                                    |                  |                    |               |
| Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer | MYR              | 17,107,208.00      | 31,759,215.00 |
| Bursa C2(b) Total number of beneficiaries of the investment in communities                                          | Number           | 75                 | 251           |
| <b>Bursa (Anti-corruption)</b>                                                                                      |                  |                    |               |
| Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category              |                  |                    |               |
| Executive & Management                                                                                              | Percentage       | 77.84              | 59.53         |
| Workers & Non-Executive                                                                                             | Percentage       | 91.41              | 69.76         |
| Bursa C1(b) Percentage of operations assessed for corruption-related risks                                          | Percentage       | 100.00             | 100.00        |
| Bursa C1(c) Confirmed incidents of corruption and action taken                                                      | Number           | 2                  | 1             |
| <b>Bursa (Supply chain management)</b>                                                                              |                  |                    |               |
| Bursa C7(a) Proportion of spending on local suppliers                                                               | Percentage       | 75.21              | 78.97         |
| <b>Bursa (Data privacy and security)</b>                                                                            |                  |                    |               |
| Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data  | Number           | 0                  | 0             |
| Internal assurance                                                                                                  |                  | External assurance | No assurance  |
|                                                                                                                     |                  | (*)Restated        |               |

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Tan Sri Samsudin Osman**

(Non-Independent Non-Executive Chairman)

**Thayaparan Sangarapillai**

(Senior Independent Non-Executive Director)

**Tan Sri Ahmad Badri Mohd Zahir**

(Non-Independent Non-Executive Director)

**Tan Sri Muhammad Shahrul Ikram Yaakob**

(Independent Non-Executive Director)

**Dato' Lee Cheow Hock Lawrence**

(Non-Independent Non-Executive Director)

**Moy Pui Yee**

(Independent Non-Executive Director)

**Dato' Dr. Nirmala Menon**

(Independent Non-Executive Director)

**Scott William Cameron**

(Independent Non-Executive Director)

**Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz**

(Independent Non-Executive Director)

**Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir**

(Independent Non-Executive Director)

**Hanizan Hood**

(Non-Independent Non-Executive Director)

**Edree Ahmad**

(Alternate Director to Hanizan Hood)

**Dato' Jeffri Salim Davidson**

(Non-Independent Executive Director)

## GROUP CHIEF EXECUTIVE OFFICER

Dato' Jeffri Salim Davidson

## GROUP SECRETARY

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

## REGISTERED OFFICE

Level 9, Menara Sime  
Oasis Corporate Park  
Jalan PJU 1A/2, Ara Damansara  
47301 Petaling Jaya  
Selangor Darul Ehsan, Malaysia

Telephone: +(603) 7623 2000  
Facsimile: +(603) 7623 2100  
Email: [communications@sime.com](mailto:communications@sime.com)  
Website: [www.sime.com](http://www.sime.com)

## SHARE REGISTRAR

**Tricor Investor & Issuing House Services Sdn Bhd**

(Registration No. 197101000970  
(11324-H))

**Office:**

Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Wilayah Persekutuan, Malaysia

Telephone: +(603) 2783 9299  
Email: [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)

**Drop-in box located at:**

Unit G-3, Ground Floor  
Vertical Podium  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Wilayah Persekutuan, Malaysia

## AUDITORS

**PricewaterhouseCoopers PLT**

(LLP0014401-LCA & AF 1146)  
Chartered Accountants  
Level 10, Menara TH 1 Sentral  
Jalan Rakyat, Kuala Lumpur Sentral  
P.O. Box 10192  
50706 Kuala Lumpur  
Wilayah Persekutuan, Malaysia

Telephone: +(603) 2173 1188  
Facsimile: +(603) 2173 1288

## FORM OF LEGAL ENTITY

Incorporated on 7 November 2006 as a private company limited by shares under the Companies Act, 1965 and deemed registered under the Companies Act 2016. Converted into a public company limited by shares on 5 April 2007

## STOCK EXCHANGE LISTING

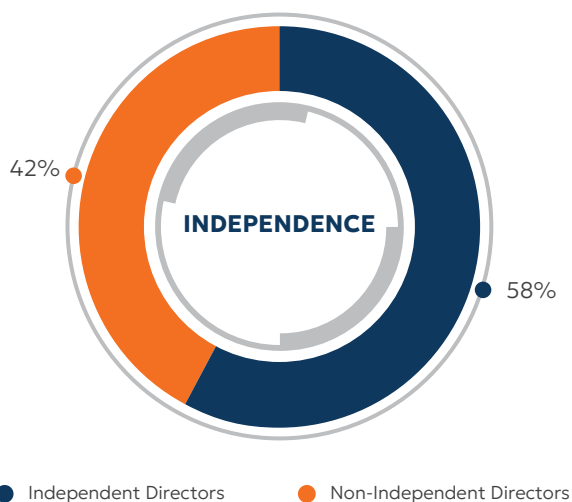
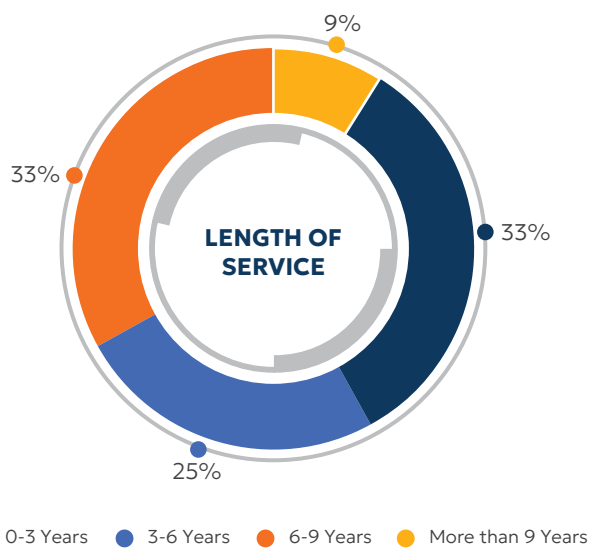
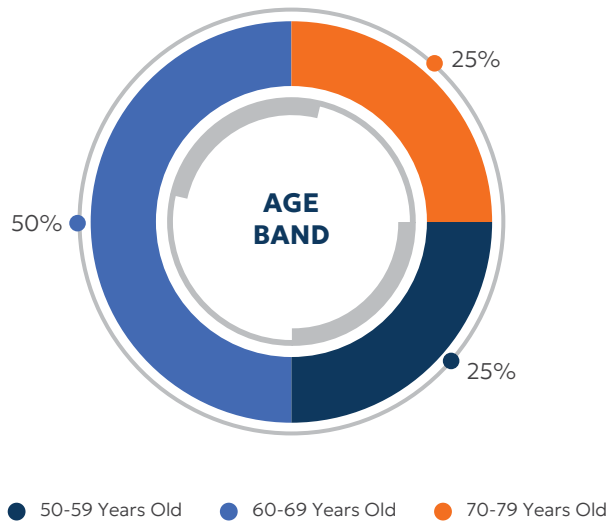
Listed on the Main Market of Bursa Malaysia Securities Berhad since 30 November 2007

Stock Code: 4197  
Stock Name: SIME

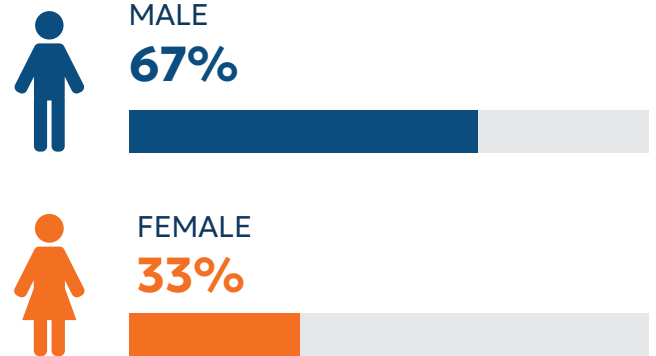
## PLACE OF INCORPORATION AND DOMICILE

Malaysia

## BOARD AT A GLANCE



### GENDER



### NATIONALITY





## BOARD OF DIRECTORS



**TAN SRI SAMSUDIN OSMAN**

Non-Independent Non-Executive Chairman

**Malaysian, Age 78, Male**

**Date of Appointment**

19 December 2008

**Length of Service (as at 30 September 2025)**

16 years and 9 months

**Academic/Professional Qualification/Membership(s)**

- Bachelor of Arts (Hons) and Diploma in Public Administration, University of Malaya
- Master in Public Administration, Pennsylvania State University

**Present Directorship(s)**

Listed Entity

Nil

Other Public Companies

Nil

**Total Board Meetings Attended in FY2025**

7/8

**Board Committee(s)**

Nil

**Areas of Expertise**

Public Administration and Fund Management

**Relevant Experience**

Held various senior positions in the Malaysian government including as Secretary General, in the Ministry of Home Affairs and Ministry of Domestic Trade and Consumer Affairs, and as Chief Secretary to the Government of Malaysia. Former President of Perbadanan Putrajaya and former Chairman of Employees Provident Fund and EPF Investment Panel. Former Chairman of the Board of Trustees of the Mahathir Science Award Foundation. A member of the Special Independent Emergency Committee 2021 from 9 February 2021 to 1 August 2021 and a member of the Royal Commission of Inquiry from 20 January 2022 to 19 July 2022.



**THAYAPARAN SANGARAPILLAI**

Senior Independent Non-Executive Director

**Malaysian, Age 70, Male**

**Date of Appointment**

1 December 2017

**Length of Service (as at 30 September 2025)**

7 years and 10 months

**Academic/Professional Qualification/Membership(s)**

- Fellow, Institute of Chartered Accountants in England & Wales
- Member, Malaysian Institute of Certified Public Accountants
- Member, Malaysian Institute of Accountants

**Present Directorship(s)**

Listed Entity

Robi Axiata PLC

(listed on the Stock

Exchange of Bangladesh)

Other Public Companies

Nil

**Total Board Meetings Attended in FY2025**

8/8

**Board Committee(s)**

- Chairman, Governance & Audit Committee
- Member, Risk Management & Sustainability Committee

**Areas of Expertise**

Audit, Business and Corporate Finance

**Relevant Experience**

Began his career with Price Waterhouse (now known as PricewaterhouseCoopers) and has over 35 years of experience providing audit and business advisory services to clients across a wide range of industries. His portfolio included major public listed companies in power, telecommunications, automotive, property development, plantation, manufacturing and trading sectors. He led assignments on financial due diligence, mergers & acquisitions, initial public offerings, finance function effectiveness reviews and other advisory work.



**TAN SRI AHMAD BADRI MOHD ZAHIR**  
Non-Independent Non-Executive Director

**Malaysian, Age 65, Male**

**Date of Appointment**

1 September 2020

**Length of Service (as at 30 September 2025)**

5 years and 1 month

**Academic/Professional Qualification/Membership(s)**

- Master in Business Administration, University of Hull
- Degree in Land and Property Management, Universiti Teknologi MARA

**Present Directorship(s)**

Listed Entity

RHB Bank Berhad

Other Public Companies

Nil

**Total Board Meetings Attended in FY2025**

8/8

**Board Committee(s)**

- Chairman, Risk Management & Sustainability Committee

**Areas of Expertise**

Strategic Investment, Loan Management, Financial Market and Actuarial Science

**Relevant Experience**

Currently the Chairman of RHB Bank Berhad and Malaysian Rubber Board (Lembaga Getah Malaysia). Has held various senior positions in the Ministry of Finance, including Secretary General of the Treasury. Has served on the Boards of Employees Provident Fund, Bank Negara Malaysia, the Retirement Fund Incorporated (KWAP), Permodalan Nasional Berhad and Tenaga Nasional Berhad. Possesses extensive experience in strategic investment, loan management, financial markets and actuarial science.



**DATO' DR NIRMALA MENON**  
Independent Non-Executive Director

**Malaysian, Age 65, Female**

**Date of Appointment**

15 November 2019

**Length of Service (as at 30 September 2025)**

5 years and 10 months

**Academic/Professional Qualification/Membership(s)**

- Degree in Medicine, University of Mysore

**Present Directorship(s)**

Listed Entity

Nil

Other Public Companies

Amanat Lebuhraya Rakyat Berhad

**Total Board Meetings Attended in FY2025**

8/8

**Board Committee(s)**

- Chairman, Nomination & Remuneration Committee
- Member, Investment Committee

**Areas of Expertise**

Insurance, Medical and Healthcare

**Relevant Experience**

Possesses extensive experience in the insurance and health sectors, having held various leadership positions within the Asian life and health insurance industry. Served as a Medical Officer at Hospital Kuala Lumpur for seven years before transitioning to the insurance sector. Became the first female Chief Executive Officer in Malaysia's life insurance industry as President and Chief Executive Officer of ING Malaysia Berhad, and later served as Head of South Asia at ING Asia Pacific Ltd. Also held the role of Executive Vice President and Head of Designated Markets & Health Asia at MetLife Asia Pacific Ltd. Former Director of Khazanah Nasional Berhad, AXA Affin General Insurance Berhad, and Nestlé (Malaysia) Berhad.

## BOARD OF DIRECTORS



**DATO' LEE CHEOW HOCK LAWRENCE**  
Non-Independent Non-Executive Director

Singaporean, Age 71, Male

### Date of Appointment

1 March 2018

### Length of Service (as at 30 September 2025)

7 years and 7 months

### Academic/Professional Qualification/Membership(s)

- Fellow, Institute of Chartered Accountants in England and Wales

### Present Directorship(s)

Listed Entity

Nil

Other Public Companies

Nil

### Total Board Meetings Attended in FY2025

8/8

### Board Committee(s)

- Chairman, Investment Committee
- Member, Risk Management & Sustainability Committee

### Areas of Expertise

Automotive, Accounting and Management

### Relevant Experience

Former Managing Director of the Motors Division of Sime. Having served the Sime Group in various capacities for over 36 years. Oversaw the growth and development of the Motors Division during his tenure.



**TAN SRI MUHAMMAD SHAHRUL IKRAM YAAKOB**  
Independent Non-Executive Director

Malaysian, Age 64, Male

### Date of Appointment

8 June 2022

### Length of Service (as at 30 September 2025)

3 years and 4 months

### Academic/Professional Qualification/Membership(s)

- Bachelor of Science in Ecology, University of Malaya
- Diploma in Public Administration, National Institute of Public Administration
- Advanced Management Programme at the Harvard Business School

### Present Directorship(s)

Listed Entity

Nil

Other Public Companies

Nil

### Total Board Meetings Attended in FY2025

8/8

### Board Committee(s)

- Member, Nomination & Remuneration Committee
- Member, Governance & Audit Committee

### Areas of Expertise

Inter-governmental relations, foreign policies, international and regional politics and security

### Relevant Experience

Currently Ambassador of Malaysia to the United States of America. Former Secretary General of the Ministry of Foreign Affairs of Malaysia and Permanent Representative of Malaysia to the United Nations in New York. Held numerous senior positions in the Ministry of Foreign Affairs since 1988, including Ambassador to Qatar and Austria. Served as the Governor for Malaysia and Chairman of the International Atomic Energy Agency (IAEA) Board of Governors. Former Director of the Board of Dewan Bahasa and the Malaysian Institute of Maritime.



**MOY PUI YEE**

Independent Non-Executive Director

**Malaysian, Age 58, Female**

**Date of Appointment**

2 July 2018

**Length of Service (as at 30 September 2025)**

7 years and 3 months

**Academic/Professional Qualification/Membership(s)**

- Graduated in Economics and in Law, Monash University of Australia
- Admitted to the Malaysian Bar in 1992

**Present Directorship(s)**

Listed Entity

Nil

Other Public Companies

Nil

**Total Board Meetings Attended in FY2025**

8/8

**Board Committee(s)**

- Member, Risk Management & Sustainability Committee

**Areas of Expertise**

Legal and Corporate Finance

**Relevant Experience**

Currently a partner and co-head of the Corporate Mergers & Acquisition Practice Group at Rahmat Lim & Partners. Active in legal practice since 1992, specialising in take-overs, mergers and acquisitions (both private and public), joint ventures, foreign investments and corporate and commercial transactions. Involved in transactions across various industries including financial services, energy and power, manufacturing, retail and consumer, hospitality, and plantations. Additionally, a partner at Allen & Gledhill LLP, the firm's associate firm in Singapore.



**SCOTT WILLIAM CAMERON**

Independent Non-Executive Director

**Australian, Age 67, Male**

**Date of Appointment**

1 January 2023

**Length of Service (as at 30 September 2025)**

2 years and 9 months

**Academic/Professional Qualification/Membership(s)**

- Bachelor of Commerce, University of Queensland
- Fellow, the Institute of Chartered Accountants, Australia
- Fellow, the Australian Institute of Company Directors
- Advanced Management Programme, Harvard Business School

**Present Directorship(s)**

Listed Entity

Nil

Other Public Companies

Engenco Ltd (Australia)

**Total Board Meetings Attended in FY2025**

8/8

**Board Committee(s)**

- Member, Governance & Audit Committee
- Member, Investment Committee

**Areas of Expertise**

Finance, mining and infrastructure, resources, marine and power generation

**Relevant Experience**

Began his career with Price Waterhouse in Brisbane, Sydney, and New York before joining Hastings Deering (Australia) Limited as Finance Director in June 1992. Brings over 27 years of experience across diverse sectors including mining and infrastructure, resources, marine, power generation, training, and heavy industry machine maintenance and repair. Held various senior management roles, including Managing Director of the Industrial Division at Sime Darby Berhad, prior to his retirement on 31 December 2019.

## BOARD OF DIRECTORS



**TENGKU DATO' SRI AZMIL ZAHRUDDIN RAJA ABDUL AZIZ**  
Independent Non-Executive Director

Malaysian, Age 55, Male

### Date of Appointment

1 August 2023

### Length of Service (as at 30 September 2025)

2 years and 2 months

### Academic/Professional Qualification/Membership(s)

- Bachelor's degree in Economics, University of Cambridge
- Chartered Accountant and Member of Malaysian Institute of Accountants
- Fellow, Institute of Chartered Accountants in England and Wales

### Present Directorship(s)

#### Listed Entity

- CelcomDigi Berhad
- CIMB Group Holdings Berhad
- CIMB Thai Bank Public Company Limited (listed on the Stock Exchange of Thailand)

#### Other Public Companies

CIMB Bank Berhad

### Total Board Meetings Attended in FY2025

8/8

### Board Committee(s)

- Member, Governance & Audit Committee
- Member, Risk Management & Sustainability Committee

### Areas of Expertise

Business, financial, risk management, human capital, telecommunications, healthcare, financial services, technology & innovation, infrastructure and aviation

### Relevant Experience

Began his career with PricewaterhouseCoopers in London and Hong Kong. Currently serves as Chairperson of CelcomDigi Berhad and CIMB Thai Bank Public Company Limited, and is a board member of CIMB Group Holdings Berhad and CIMB Bank Berhad. Former Chief Investment Officer at Khazanah Nasional Berhad, where he oversaw its investment portfolio and held senior roles including Deputy Managing Director and Executive Director of Investments from 2011 to 2022. Previously the Managing Director and Chief Executive Officer of Malaysia Airlines and held various leadership positions at Penerbangan Malaysia Berhad. Also served as Chairman of UEM Group Berhad and has been a director at Axiata Group Berhad and IHH Healthcare Berhad.



**PROFESSOR DATUK TS. IR. DR. SITI HAMISAH TAPSIR**  
Independent Non-Executive Director

Malaysian, Age 64, Female

### Date of Appointment

8 March 2024

### Length of Service (as at 30 September 2025)

1 year and 6 months

### Academic/Professional Qualification/Membership(s)

- Diploma in Civil Engineering, Institut Teknologi Mara (now known as Universiti Teknologi MARA, UiTM)
- Bachelor of Science in Civil Engineering, New England College
- Master of Science in Civil Engineering, from University of Lowell (now known as University of Massachusetts Lowell)
- Doctor of Philosophy, University of Leeds
- Advanced Management Programme, Harvard Business School
- Razak School of Government Senior Leadership Programme, SAID Business School, University of Oxford

### Present Directorship(s)

#### Listed Entity

- Malayan Cement Berhad
- Oppstar Berhad

#### Other Public Companies

Nil

### Total Board Meetings Attended in FY2025

8/8

### Board Committee(s)

- Member, Nomination & Remuneration Committee

### Areas of Expertise

Business, financial, risk management, human capital, healthcare and education

### Relevant Experience

Began her career as a lecturer at Universiti Teknologi Malaysia (UTM) in 1987. During her tenure at UTM, she held various roles, including Head of Laboratory, Associate Professor, Assistant Director, Programme Director, Dean, Deputy Vice Chancellor, and Campus Director of UTM International Campus. She left UTM in 2009 to join the Ministry of Higher Education, where she was promoted to Director General of Higher Education in 2017. After leaving the Ministry of Higher Education, she served as Secretary General of the Ministry of Science, Technology, and Innovation (MOSTI) from 2019 to 2021. In 2020, she was also appointed Adjunct Professor at UTM until her departure in 2021. Following her retirement from MOSTI, she joined UCSI University as Group Chief Executive Officer and Vice Chancellor.





**HANIZAN HOOD**

Non-Independent Non-Executive Director

Malaysian, Age 51, Female

**Date of Appointment**

1 July 2025

**Length of Service (as at 30 September 2025)**

3 months

**Academic/Professional Qualification/Membership(s)**

- Bachelor of Arts (Economics), Northwestern University
- Advanced Management Programme, Harvard Business School

**Present Directorship(s)**

Listed Entity

Nil

Other Public Companies

- Pelaburan Hartanah Berhad
- PHB Asset Management Berhad

**Total Board Meetings Attended in FY2025**

Not applicable

**Board Committee(s)**

- Member, Investment Committee
- Member, Nomination & Remuneration Committee

**Areas of Expertise**

Finance and Business Administration

**Relevant Experience**

Currently serving as the Group Chief Investment Officer of Permodalan Nasional Berhad (PNB), leading the formulation and execution of investment strategies across multiple asset classes and funds under management. Over 28 years of experience in investment and fund management.



**DATO' JEFFRI SALIM DAVIDSON**

Non-Independent Executive Director

Malaysian, Age 61, Male

**Date of Appointment**

1 December 2017

**Length of Service (as at 30 September 2025)**

7 years and 10 months

**Academic/Professional Qualification/Membership(s)**

- Bachelor of Science in Geology, University College London
- Member, Institute of Chartered Accountants in England & Wales
- Advanced Management Programme, Harvard Business School

**Present Directorship(s)**

Listed Entity

Nil

Other Public Companies

- Sime Darby Holdings Berhad
- Sime Darby Malaysia Berhad
- Kumpulan Sime Darby Berhad
- UMW Holdings Berhad

**Total Board Meetings Attended in FY2025**

8/8

**Board Committee(s)**

Nil

**Areas of Expertise**

Accounting, Finance and Business Administration

**Relevant Experience**

Began his career with Coopers & Lybrand, London in 1986 before joining the Sime Group in 1992. He has held various senior management positions within the Group across China, Singapore and Malaysia. In 2017, he was appointed as the Group Chief Executive Officer of Sime Darby Berhad.



## BOARD OF DIRECTORS



### **EDREE AHMAD**

*(Alternate Director to Hanizan Hood)*

**Malaysian, Age 43, Male**

#### **Date of Appointment**

1 July 2025

#### **Length of Service (as at 30 September 2025)**

3 months

#### **Academic/Professional Qualification/Membership(s)**

- Bachelor degree in Accounting and Finance, University of Manchester
- CIMA Diploma in Islamic Finance
- Palladium Kaplan-Norton Balanced Scorecard Certified Programme

#### **Present Directorship(s)**

Listed Entity

Nil

Other Public Companies

Nil

#### **Total Board Meetings Attended in FY2025**

Not applicable

#### **Board Committee(s)**

Nil

#### **Areas of Expertise**

Accounting, Finance, Public Equity and Fund Management

#### **Relevant Experience**

Joined Permodalan Nasional Berhad (PNB) as a Management Trainee in 2005 and has since held various positions, including Executive in the Corporate Services Department, Manager for Corporate Services/Private Investment, Manager in the Public Equity department, and Assistant Vice President for both Public Equity and Strategic Investment. Currently the Vice President of Strategic Investments at PNB, overseeing investments in the Industrial & Motors sectors.

## Additional Information

1. Except as disclosed below, the other Directors have no family relationship with any Director or major shareholder of Sime Darby Berhad (Sime), no conflict of interest or potential conflict of interest, including interest in any competing business with Sime or its subsidiaries, and have not been convicted of any offences in the past five years or subject to public sanctions or penalties by relevant regulatory authorities during the financial year, other than traffic offences.
  - (i) Tan Sri Samsudin Osman, Dato' Lee Cheow Hock Lawrence, Puan Hanizan Hood, and Encik Edree Ahmad (Alternate Director to Puan Hanizan Hood) are nominees of Permodalan Nasional Berhad (PNB) on the Board of Sime. They will recuse themselves from voting and participating in any discussions and deliberation involving the interests of PNB Group and Sime Group at Board and Board Committee meetings of Sime.
  - (ii) Tan Sri Ahmad Badri Mohd Zahir is the Nominee Director of Employees Provident Fund (EPF). He will recuse himself from voting and participating in any discussions and deliberation involving the interest of EPF Group and Sime Group at Board and Board Committee meetings of Sime.
  - (iii) Ms Moy Pui Yee is a partner at Rahmat Lim & Partners (RLP), a firm that provides legal services to the Sime Group from time to time. She will maintain strict independence and non-involvement in matters involving RLP and Sime Group.
  - (iv) Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz is a Director of CelcomDigi Berhad, CIMB Group Holdings Berhad, CIMB Bank Berhad, and CIMB Thai Bank Public Company Limited (Companies). He will recuse himself from voting and participating in discussions and deliberation involving the interests of the Companies and their group of companies and Sime Group at Board and Board Committee meetings of Sime.
  - (v) Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir is the Group Chief Executive Officer of UCSI Group and the Vice Chancellor of UCSI University. UCSI Auto Sdn Bhd, a subsidiary of the UCSI Education Group, is an authorised dealer for Chery vehicles, a brand in competition with BYD which is carried by Sime Group. Professor Datuk Hamisah will recuse herself from voting and participating in any discussions and deliberations pertaining to Chery and BYD brands at Board and Board Committee meetings of Sime. She will maintain strict independence and non-involvement in the operations of UCSI Auto Sdn Bhd and will not disclose any information regarding BYD business to the UCSI group of companies.
2. The full profile of Directors including their directorships in other companies are available on the Company's website at <https://www.sime.com/about/board-of-directors/>.

## EXECUTIVE LEADERSHIP



**DATO' JEFFRI SALIM  
DAVIDSON**

Group Chief Executive Officer

Malaysian, Age 61, Male



**MUHAMMAD NOOR ABD AZIZ  
@ HASHIM**

Group Chief Financial Officer

Malaysian, Age 53, Male



**ALICIA O'DONOGHUE**

Group Chief Strategy Officer

Australian, Age 47, Female

**Date of Appointment**  
21 November 2017

**Academic/Professional Qualification/  
Membership(s)**

- Bachelor of Science in Geology, University College London
- Member, Institute of Chartered Accountants in England & Wales
- Advanced Management Programme, Harvard Business School

**Present Directorship(s) in Listed Entity/  
Other Public Companies**

- Sime Darby Berhad
- Sime Darby Holdings Berhad
- Sime Darby Malaysia Berhad
- Kumpulan Sime Darby Berhad
- UMW Holdings Berhad

**Relevant Experience**

Began his career with Coopers & Lybrand, London in 1986 before joining the Sime Group in 1992. He has held various senior management positions within Sime Group across China, Singapore, and Malaysia. He was appointed the Group Chief Executive Officer of Sime Darby Berhad in 2017.

**Date of Appointment**  
13 December 2023

**Academic/Professional Qualification/  
Membership(s)**

- Bachelor of Finance and Accounting, Salford University, United Kingdom
- Associate, Chartered Institute of Management Accountants
- Member, Malaysian Institute of Accountants
- Advanced Management Programme, Harvard Business School
- Corporate and Financial Restructuring Programme, Amsterdam Institute of Finance

**Present Directorship(s) in Listed Entity/  
Other Public Companies**

- Golden Hope Plantations Berhad
- Kumpulan Guthrie Berhad
- Kumpulan Sime Darby Berhad
- Sime Darby Holdings Berhad
- Sime Darby Malaysia Berhad
- Sime Darby Allied Products Berhad
- UMW Holdings Berhad

**Relevant Experience**

Has over 27 years of experience as a finance and business leader, with expertise in manufacturing, logistics, e-commerce, package/freight delivery, healthcare, infrastructure solutions, and the automotive industry within FMCG, retail, concession, and trading sectors. Before joining Sime, he was the Chief Financial Officer for UEM Edgenta Berhad and the Group Chief Financial Officer for Pos Malaysia Berhad.

**Date of Appointment**  
1 October 2024

**Academic/Professional Qualification/  
Membership(s)**

- Bachelor of Business (Management and Marketing), Monash University, Australia
- Bachelor of Communications (Psychology), Monash University, Australia
- Masters in Market Strategy, Monash University, Australia
- Master of Administration, University of Queensland, Australia

**Present Directorship(s) in Listed Entity/  
Other Public Companies**  
Nil

**Relevant Experience**

Has over 26 years of experience in senior strategy roles. She has worked for Deloitte London, PwC Australia and EY Oceania across a diverse set of industries and geographies. Immediately prior to joining Sime Group, she was the Vice President Markets and Strategy, Asia Pacific at Orica. She joined Sime Group in 2020 as the General Manager of Portfolio Strategy for the Industrial Division and was promoted to Group Chief Strategy Officer in 2024.



**Date of Appointment**

1 October 2024

**Academic/Professional Qualification/ Membership(s)**

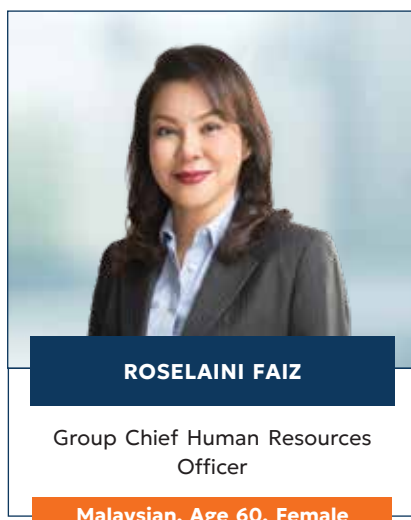
- Bachelor of Science in Electrical Engineering, Widener University, USA

**Present Directorship(s) in Listed Entity/ Other Public Companies**

Nil

**Relevant Experience**

Has over 30 years of expertise in strategy, growth, business turnarounds, manufacturing and management consulting. He has dual role as the Managing Director of the Equipment Division at UMW. Prior to joining UMW, he was attached to General Electric ("GE"), focusing on country strategy, business development and enterprise sales in Malaysia. He later advanced to the role of Asia-Pacific Marketing Director for GE Power & Water business, where he led strategic development and execution across 20 countries in the region.



**Date of Appointment**

1 August 2018

**Academic/Professional Qualification/ Membership(s)**

- Bachelor of Economics (majoring in Analytical Economics), University of Malaya

**Present Directorship(s) in Listed Entity/ Other Public Companies**

Nil

**Relevant Experience**

Had served as the Director of Human Capital & Communications at Danajamin Nasional Berhad. Prior to that, she was the Head of Human Resources at Hong Leong Bank Berhad. Her earlier roles included Director of Human Resources at CIMB Aviva Assurance Berhad, Chief Human Resources Officer at Kuwait Finance House (Malaysia) Berhad, Head of Rewards & Benefits Administration at Standard Chartered Bank Malaysia Berhad, and Vice President of Compensation and Benefits at Citibank Berhad.



**Date of Appointment**

7 November 2022

**Academic/Professional Qualification/ Membership(s)**

- Bachelor of Science in Computer Science, University of Bina Nusantara
- MBA in Finance, Indonusa Esa Unggul University
- PhD, Universitas Pelita Harapan, Indonesia.

**Present Directorship(s) in Listed Entity/ Other Public Companies**

Nil

**Relevant Experience**

Has over 30 years of experience in the information and technology industry, having held senior global leadership roles across major automotive, manufacturing, semiconductor, telecommunications, and IT software and services companies. He was the Chief Information Officer and a board member at APP Indonesia – Sinarmas Group. Additionally, he had an extensive career with Microsoft as the Area IT Head – APAC and GCR, and as Vice President of IT – Managed Services with Telstra International, where he was responsible for business information systems, technology strategy, IT infrastructure, and the delivery of major enterprise solutions.

## EXECUTIVE LEADERSHIP



### Date of Appointment

1 April 2025

### Academic/Professional Qualification/Membership(s)

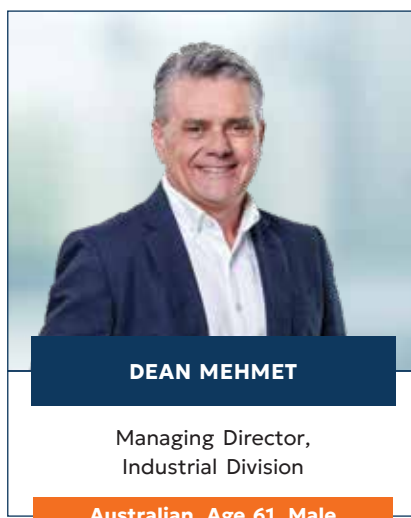
- Diploma of Occupational Health and Safety, Australasian College of Health and Safety, Australia

### Present Directorship(s) in Listed Entity/Other Public Companies

Nil

### Relevant Experience

Has over 20 years' global experience in senior health safety, sustainability, environment and risk management roles across the mining, manufacturing and transportation section. He joined Hastings Deering in January 2023 as General Manager Health Safety and Sustainability before being promoted as Group Chief Safety Officer in April 2025.



### Date of Appointment

1 July 2021

### Academic/Professional Qualification/Membership(s)

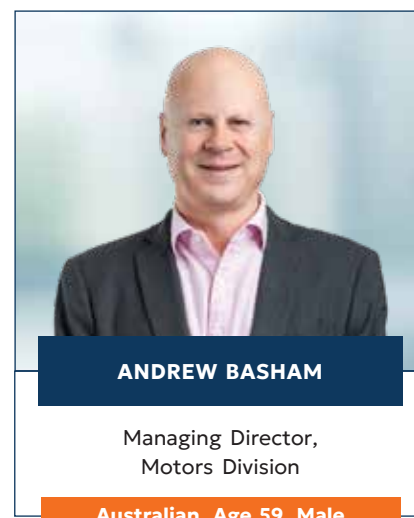
- Bachelor of Mechanical Engineering (Hons), Queensland University of Technology
- Stanford Executive Program in Organisational Leadership
- Member, Australian Institute of Company Directors

### Present Directorship(s) in Listed Entity/Other Public Companies

Nil

### Relevant Experience

Has almost 40 years of industry experience, including 21 years in Chief Executive leadership roles at multinational corporations such as BlueScope Steel and Royal Dutch Shell. He joined Sime in 2012 as the Chief Operating Officer at Hastings Deering (Australia) Limited and was later promoted to Chief Executive Officer and Managing Director of the Hastings Deering Group, leading the entire industrial business portfolio across Australia, Papua New Guinea, Solomon Islands and New Caledonia. He was appointed Managing Director of Sime Darby Industrial – Australasia in 2020 before assuming his current role.



### Date of Appointment

1 February 2018

### Academic/Professional Qualification/Membership(s)

- Bachelor of Economics, University of Adelaide
- Fellow, Institute of Chartered Accountants, Australia

### Present Directorship(s) in Listed Entity/Other Public Companies

Nil

### Relevant Experience

Has over 28 years of extensive experience in management, business development, and operations for leading global automotive brands. Began his career in audit and accounting with Price Waterhouse Australia before transitioning to distribution and logistics, eventually taking on senior management roles in various automotive companies.

**Date of Appointment**

13 December 2023

**Academic/Professional Qualification/  
Membership(s)**

- Bachelor of Science in Accounting and Finance, London School of Economics and Political Science.
- Fellow, Institute of Chartered Accountants in England and Wales
- Member, Malaysian Institute of Accountants
- Advanced Management Programme, Harvard Business School

**Present Directorship(s) in Listed Entity/  
Other Public Companies**

- Sime Darby Holdings Berhad
- UMW Holdings Berhad

**Relevant Experience**

Began his career at PricewaterhouseCoopers in London in 1995, followed by a seven-year tenure at Bank Negara Malaysia, where he was involved in investment operations and financial markets. He joined Sime's Group Strategy department in 2005 and later transitioned to the Group's Plantation division where he led strategy and business development. Prior to his appointment as Managing Director of the UMW Division, he was the Group Chief Financial Officer of Sime from November 2017 to December 2023.

**Date of Appointment**

8 October 2024

**Academic/Professional Qualification/  
Membership(s)**

- Bachelor of Laws with Honours and a Postgraduate Diploma in Legal Practice, Bond University
- Advocate & Solicitor to the High Court of Malaya
- Solicitor to the Supreme Court of New South Wales
- Member of the Malaysian Association of Company Secretaries

**Present Directorship(s) in Listed Entity/  
Other Public Companies**

Nil

**Relevant Experience**

Has over 25 years of experience in the corporate and financial sectors. Prior to joining Sime, she held executive leadership roles in ERS Energy Sdn Bhd, Bank Pembangunan Malaysia Berhad and Danajamin Nasional Berhad. Before taking on in-house legal and governance roles, she was a Partner with Albar & Partners, practising in the areas of corporate and banking & finance, with a focus on capital markets and corporate finance transactions.

**Additional Information**

1. None of the Executive Leadership has family relationship with any Director or major shareholder of Sime, conflict of interest or potential conflict of interest, including interest in any competing business with Sime or its subsidiaries or has been convicted of any offences, other than traffic offences, in the past five years or subject to public sanctions or penalties by relevant regulatory authorities during the financial year.
2. The full profile of Executive Leadership including their directorships in other companies are available on the Company's website at <https://www.sime.com/about/executive-leadership/>.



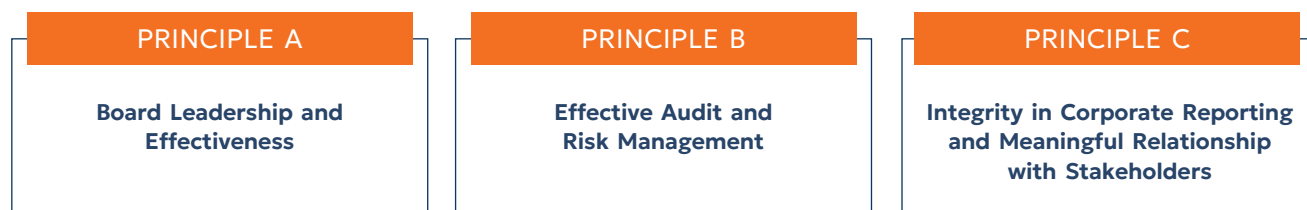
# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A Board Leadership and Effectiveness

The Board of Directors (the Board) of Sime is pleased to present the Corporate Governance Overview Statement, which sets out a summary of Sime's corporate governance practices during the financial year under review and how these practices have contributed towards the Group's efforts in fostering long-term value.

The preparation of this Corporate Governance Overview (CG Overview) is in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) and should be read together with Sime's Corporate Governance Report (CG Report), which details the Company's application of each Practice set out in the Malaysian Code on Corporate Governance 2021 (MCCG 2021). The CG Report is available on the Company's website at [www.sime.com/investor-relations/annual-reports/](http://www.sime.com/investor-relations/annual-reports/).

Sime has reviewed its practices based on the three (3) key principles from the MCCG 2021 below:



For the financial year under review, the Company has applied the Practices set out in the MCCG 2021, except for Practice 8.2: Disclosure on a named basis of the top five Senior Management's remuneration components, including salary, bonus, benefits-in-kind and other emoluments, in bands of RM50,000. The Board has disclosed alternative measures and reasons for this departure in the CG Report. This reflects the Board's commitment to promoting transparency, integrity and high standards of corporate governance, while balancing regulatory expectations with commercial considerations, as detailed in this Annual Report.

Good governance is key to the Group's long-term success. The Board is committed to the highest standards of integrity, accountability, and ethics in all aspects of its operations to ensure the Group's sustainability.

The Board believes in setting the right tone from the top at every level. It champions transparency and accountability in the boardroom and promotes these principles across the organisation as key pillars of good governance.

Through strong leadership and strategic guidance, the Board drives value creation, supported by effective compliance, risk management and internal controls. In close collaboration with Management, the Board oversees the development and execution of strategies underpinned by sound corporate governance and disciplined financial practices. Amidst an increasingly challenging global environment, the Board steadily strengthens the Group's governance practices, which are essential for responsible and responsive decision making to meet these challenges effectively.

## BOARD RESPONSIBILITIES AND GOVERNANCE FRAMEWORK

The Board holds primary accountability for the overall governance and management of the Group. The Board manages the affairs of the Company according to its Constitution and applicable laws. The Group's governance framework is based on the following statutory and regulatory requirements as well as best practices:

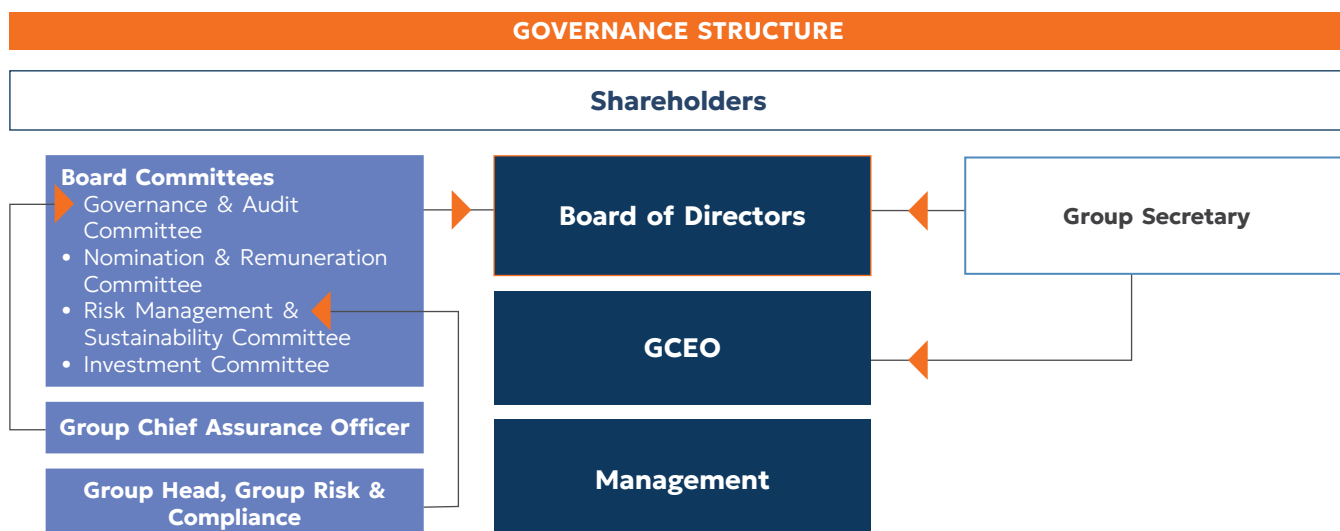
- a** Companies Act 2016
- b** Main Market Listing Requirements of Bursa Securities
- c** Guidelines on Conduct of Directors of Listed Corporations and their subsidiaries published by the Securities Commission of Malaysia
- d** Malaysian Code on Corporate Governance 2021 issued by the Securities Commission
- e** Corporate Governance Guide 4<sup>th</sup> Edition issued by Bursa Securities
- f** Corporate Governance and Voting Guidelines issued by Institutional Investors

The Board addresses all significant and material matters. It is accountable for strategic management, performance monitoring and measurement, enterprise risk management, standards of conduct and other critical business issues. It engages key stakeholders, including shareholders, employees and the community to better understand their perspectives and concerns. The Board also ensures that the Group has adequate resources to meet its strategic priorities and considers the effects of its decisions on all stakeholders.

In fulfilling its leadership and governance responsibilities, the Board is supported by the Board Charter which outlines the duties and responsibilities of the Board, its Directors and the Board Committees. This Charter serves as a primary reference for governance practices and specific matters requiring approval from the Board. The Board Charter is available on the Company's website at <https://www.sime.com/sustainability/governance/>.

While the Board delegates specific functions to its Committees, it retains ultimate accountability for the Group's performance and affairs. Each Committee operates under clear Terms of Reference (TOR). The Board is also supported by the Group's Policies and Authorities (GPA), which outlines, amongst others, the applicable policies by functions within the Group, the expected standards of ethical conduct and the limits of authority for the Board, the GCEO and Management. The governance structure and practices are periodically reviewed and enhanced to ensure they remain robust, relevant and aligned with evolving corporate governance standards and regulatory requirements.

The Board Governance structure is illustrated below:



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A Board Leadership and Effectiveness

#### BOARD LEADERSHIP & DEMARCATION OF RESPONSIBILITIES

The Chairman sets the tone at the top and manages Board effectiveness by focusing on strategy, governance and compliance. To ensure an appropriate balance of power, authority and accountability at the Board, the positions of the Chairman, the GCEO and Senior Independent Director are held by different individuals with separate and distinct roles, as formally documented in the Board Charter and summarised below:

| Designation/Directorship           | Roles and Responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Chairman and GCEO</b>           | <p>Tan Sri Samsudin Osman, the Chairman of the Board, is a Non-Independent Non-Executive Director. He is responsible for leading the Board, setting its agenda and ensuring its overall effectiveness. The Chairman also champions the adoption of good corporate governance practices across the Group, fosters an open and constructive environment for discussion and ensures that Directors are provided with accurate, timely and clear information with the support of the Group Secretary.</p> <p>Dato' Jeffri Salim Davidson, the GCEO, is responsible for the day-to-day management of the Group's operations and for implementing the Board's decisions. Supported by the Management team, he formulates business strategies and operational plans to achieve the Group's vision, growth targets, turnover and profitability in alignment with stakeholder expectations. He also oversees the execution of Board policies and coordinates the implementation of business and corporate strategies.</p> |
| <b>Senior Independent Director</b> | <p>Mr Thayaparan Sangarapillai is the Senior Independent Director (SID) of Sime. His duties include serving as a sounding board for the Chairman, acting as an intermediary for other Directors when required, and functioning as a point of contact for shareholders and stakeholders who have concerns that need resolution or are not appropriate to address through the usual channels of the Chairman and/or the GCEO.</p> <p>The SID oversees the whistleblowing function, ensuring that all reported violations are properly investigated and that the effectiveness of actions taken in response to such concerns is reviewed.</p>                                                                                                                                                                                                                                                                                                                                                                       |

#### BOARD COMMITTEES

To assist in overseeing specific responsibility areas, the Board has established four Committees, namely, the Governance & Audit Committee (GAC), Nomination & Remuneration Committee (NRC), Risk Management & Sustainability Committee (RMSC) and Investment Committee (IC). Each Committee operates under its own TOR, which are made available on Sime's website at <https://www.sime.com/sustainability/governance/>. The Chairman of the Board does not chair any of these Committees and all Committees comprise solely of Non-Executive Directors (NEDs). Any amendments to a Committee's TOR require the approval of the Board.

The Committees review and deliberate matters within their respective TOR and, where applicable, submit recommendations to the Board for consideration and decision. The Board, while supported by these Committees, maintains collective oversight and is regularly updated on the proceedings of these Committees by the Board Committees' Chairman. The minutes of the Committee meetings are also tabled to the Board for review. Each Committee is supported by the Group Secretary and may seek independent professional advice, where necessary, to discharge its duties effectively.

## ROLES OF BOARD COMMITTEES

### a Governance & Audit Committee

The GAC assists the Board in discharging its responsibilities by:

- Reviewing the Group's financial results, external audit procedures and internal audit function.
- Overseeing financial reporting, business practices and internal control systems.
- Monitoring governance and compliance activities, ensuring the independence of both external and internal audits.

The GAC comprises four Independent Non-Executive Directors (INEDs), in line with the Listing Requirements of Bursa Securities and MCCG 2021.

| Name                                            | Membership/Designation                             |
|-------------------------------------------------|----------------------------------------------------|
| Thayaparan Sangarapillai                        | Chairman/Senior Independent Non-Executive Director |
| Tan Sri Muhammad Shahrul Ikram Yaakob           | Member/Independent Non-Executive Director          |
| Scott William Cameron                           | Member/Independent Non-Executive Director          |
| Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz | Member/Independent Non-Executive Director          |

### b Nomination & Remuneration Committee

The NRC assists the Board in overseeing the selection and evaluation of Directors and key management positions, ensuring an appropriate mix of skills, experience, knowledge and diversity to meet the Group's needs.

The NRC also supports the Board in establishing the policy and framework for the remuneration of Directors and senior management.

The NRC comprises four NEDs, three of whom are INEDs.

| Name                                               | Membership/Designation                         |
|----------------------------------------------------|------------------------------------------------|
| Dato' Dr Nirmala Menon <sup>1</sup>                | Chairperson/Independent Non-Executive Director |
| Tan Sri Muhammad Shahrul Ikram Yaakob <sup>2</sup> | Member/Independent Non-Executive Director      |
| Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir    | Member/Independent Non-Executive Director      |
| Hanizan Hood <sup>3</sup>                          | Member/Non-Independent Non-Executive Director  |

#### Notes:

Encik Mohamad Idros Mosin resigned as a member with effect from 1 July 2025

<sup>1</sup> Redesignated from a member to Chairperson with effect from 1 July 2025

<sup>2</sup> Redesignated from Chairman to a member with effect from 1 July 2025

<sup>3</sup> Appointed as a member with effect from 1 July 2025

### c Risk Management & Sustainability Committee

The RMSC oversees the Group's risk management activities, supporting the Board in identifying significant risks and ensuring the implementation of appropriate systems to manage the Group's overall risk exposure.

The RMSC also provides guidance on key sustainability risks, advising the Board on significant strategic activities, policies and progress updates related to the Group's sustainability initiatives and agenda.

The RMSC comprises five NEDs, three of whom are INEDs.

| Name                                            | Membership/Designation                           |
|-------------------------------------------------|--------------------------------------------------|
| Tan Sri Ahmad Badri Mohd Zahir                  | Chairman/Non-Independent Non-Executive Director  |
| Dato' Lee Cheow Hock Lawrence                   | Member/Non-Independent Non-Executive Director    |
| Moy Pui Yee                                     | Member/Independent Non-Executive Director        |
| Thayaparan Sangarapillai                        | Member/Senior Independent Non-Executive Director |
| Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz | Member/Independent Non-Executive Director        |

### d Investment Committee

The IC reviews significant business proposals such as mergers, acquisitions, partnerships, disposals and capital expenditures, assessing related risks and mitigation strategies before submitting recommendations to the Board for approval.

The IC is also responsible for monitoring the implementation of the Group's 5-year Strategy Masterplan by analysing strategic issues, industry developments and market changes that may influence the Group's long-term profitability and sustainability. It monitors the progress of major proposals to ensure they are consistent with the Group's strategic objectives.

The IC comprises four NEDs, two of whom are INEDs.

| Name                                       | Membership/Designation                          |
|--------------------------------------------|-------------------------------------------------|
| Dato' Lee Cheow Hock Lawrence <sup>1</sup> | Chairman/Non-Independent Non-Executive Director |
| Scott William Cameron                      | Member/Independent Non-Executive Director       |
| Dato' Dr Nirmala Menon                     | Member/Independent Non-Executive Director       |
| Hanizan Hood <sup>2</sup>                  | Member/Non-Independent Non-Executive Director   |

#### Notes:

Encik Mohamad Idros Mosin resigned as Chairman with effect from 1 July 2025

<sup>1</sup> Redesignated from a member to Chairman with effect from 1 July 2025

<sup>2</sup> Appointed as a member with effect from 1 July 2025

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A Board Leadership and Effectiveness

#### BOARD COMPOSITION AND DIVERSITY

The Board comprises individuals with diverse skills, experience and perspectives, enabling effective oversight, strategic guidance and constructive challenge. This diversity supports rigorous review of Management's proposals and empowers the GCEO to execute approved strategies. To support this, the Group has adopted a Board Composition Policy that promotes a balanced mix of attributes, including independence, professional background, gender, age and experience. Diversity is viewed not merely as a metric, but as a strategic imperative for resilience and long-term competitiveness.

The Board consists of twelve members, including an Executive Director who serves as the GCEO, seven INEDs and four Non-Independent NEDs, exceeding the one-third minimum requirement stipulated by the Listing Requirements of Bursa Securities and aligns with MCCG 2021's recommendation for a majority of independent directors. In addition, Puan Hanizan Hood has appointed Encik Edree Ahmad as an alternate director as permitted under the Company's Constitution.

As of 30 September 2025, women comprise 33% of the Board, meeting the MCCG 2021 recommendation under Practice 5.9. Across the Group, women represent 25% of the workforce and hold 30% of executive leadership roles, reflecting Sime's ongoing commitment to gender diversity and inclusive leadership.

#### ROLE OF INDEPENDENT DIRECTORS

Independent Directors provide impartial oversight, challenge Management constructively and reinforce the Board's commitment to fairness and accountability. In line with MCCG 2021, the Board places strong emphasis on independence and objectivity and has adopted a tenure policy whereby no Independent Directors serve beyond a cumulative period of nine years. Additionally, each Independent Director is required to provide an annual declaration of independence. The Board, having considered the annual independence declarations and the results of Board Effectiveness Assessment (BEA) 2025, is satisfied that each NED is independent in character and judgment, acting in the best interests of the Company.

#### FIT & PROPER CRITERIA

The Board applies a Fit and Proper Policy to assess the suitability of Directors for appointments or re-election. This includes criteria such as integrity, competence, reputation and financial soundness, ensuring that Directors are equipped to discharge their duties effectively. The policy is made available on the Company's website at <https://www.sime.com/sustainability/governance/>.

#### BOARD APPOINTMENTS & INDUCTION

Board appointments are guided by a structured and transparent process overseen by the NRC. Candidates are assessed based on the established Fit and Proper Policy and the Board Composition Policy. The NRC evaluates, amongst others, the mix of skills and attributes required to support the Group's strategic direction and recommends suitable candidates to the Board for approval.

The Board Charter and NRC TOR provide clear guidance on the nomination process, including re-election cycles, tenure limits and succession planning. When considering new appointments or re-election, the Board reviews its current composition, tenure of existing Directors, diversity and the need for fresh perspectives with insights from the annual BEA. Potential candidates may be identified through referrals from Directors, major shareholders, Management or external search firms, if necessary.

Newly appointed Directors receive comprehensive briefings on the Group's operations, business environment and markets. They also participate in continuous professional development programmes to ensure they remain well-equipped to fulfil their roles effectively. During the year, a formal induction was conducted for Puan Hanizan Hood, who was appointed on 1 July 2025, to ensure a smooth and informed integration into the Board.

To safeguard Board effectiveness, Directors are required to notify the Chairman before accepting directorships in other companies. As of the reporting date, none of the Directors holds more than five directorships in listed companies, in compliance with Paragraph 15.06 of the Listing Requirements.

## BOARD ATTENDANCE AND ACCESS TO INFORMATION

The Board recognises that consistent attendance and active participation are essential to effective governance and decision-making. During the financial year under review, eight Board meetings were convened, consisting of seven scheduled meetings and one unscheduled meeting. All Directors demonstrated strong commitment, with eleven out of twelve Directors achieved full attendance, while one Director attended seven out of eight meetings, as outlined below:

| Board                                           |   | Scheduled Meeting | Unscheduled Meeting | Total |
|-------------------------------------------------|---|-------------------|---------------------|-------|
| Tan Sri Samsudin Osman                          | ▶ | 6/7               | 1/1                 | 7/8   |
| Thayaparan Sangarapillai                        | ▶ | 7/7               | 1/1                 | 8/8   |
| Tan Sri Ahmad Badri Mohd Zahir                  | ▶ | 7/7               | 1/1                 | 8/8   |
| Tan Sri Muhammad Shahrul Ikram Yaakob           | ▶ | 7/7               | 1/1                 | 8/8   |
| Mohamad Idros Mosin                             | ▶ | 7/7               | 1/1                 | 8/8   |
| Dato' Lee Cheow Hock Lawrence                   | ▶ | 7/7               | 1/1                 | 8/8   |
| Moy Pui Yee                                     | ▶ | 7/7               | 1/1                 | 8/8   |
| Dato' Dr Nirmala Menon                          | ▶ | 7/7               | 1/1                 | 8/8   |
| Scott William Cameron                           | ▶ | 7/7               | 1/1                 | 8/8   |
| Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz | ▶ | 7/7               | 1/1                 | 8/8   |
| Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir | ▶ | 7/7               | 1/1                 | 8/8   |
| Dato' Jeffri Salim Davidson                     | ▶ | 7/7               | 1/1                 | 8/8   |

To support effective deliberation, meeting dates are scheduled annually in advance. Directors receive timely access to agenda and Board papers ahead of each meeting via a secure digital platform, allowing sufficient time for review and discussion. This platform also facilitates access to presentation materials to facilitate decision-making. Presentations by Management and external experts are conducted during meetings to provide context and address queries.

The Board is supported by the Group Secretary, who ensures that notices, agendas and meeting materials are circulated in advance. In consultation with the Chairman and GCEO, the Group Secretary prepares structured agendas that prioritise matters for focused discussion. All proceedings of the Board and its Committees are properly minuted, capturing key deliberations, decisions and any dissenting views. Directors also receive regular updates on Bursa announcements, significant transactions, media coverage, analyst reports and other relevant developments to support informed decision-making.

## BOARD INDEPENDENCE

Directors are expected to exercise independent judgment with integrity, remain free from undue influence and promptly disclose any conflicts of interest. To mitigate potential conflicts of interest, Directors are required to declare any such interest at the commencement of each meeting. Where a conflict arises, relevant Board papers are withheld from the interested Directors, who are then required to recuse themselves from discussions, abstain from deliberations and refrain from voting on the matter at the relevant Board and Board Committee meetings.

The Group's Conflict of Interest (COI) Guideline, established on 21 February 2024, sets out clear criteria supported by well-defined processes and procedures to be observed across the Group. The Guideline is designed to identify, address and manage conflicts of interest whether actual, potential or perceived through a structured approach that preserves objectivity in decision-making while safeguarding the Group's reputation and credibility. The conflict of interest disclosed by Directors are set out in the "Board of Directors' section on page 99 of this Annual Report 2025.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A Board Leadership and Effectiveness

#### KEY BOARD AND BOARD COMMITTEES' ACTIVITIES OF FY2025

The key matters reviewed, deliberated and approved by the Board in FY2025 were as follows:

##### Strategy

- Annual budget setting.
- Business performance and projects progress updates and emerging opportunities and issues.
- Group's 5-year Strategy Masterplan.
- Strategic plans progress updates, key priorities and Return on Equity improvement initiatives.
- Key performance indicators of the GCEO.

##### Financial Performance

- Quarterly and yearly financial performance reports.
- Dividend proposals.

##### Governance

- Re-appointment of external auditors.
- Review of risk management framework and compliance.
- Review of related party transactions and conflicts of interest.
- Appointment of new Director and revision to Board composition.
- Appointment and contract renewal for key management.
- Succession planning and talent management review.
- Conduct of BEA 2025.

#### BOARD KEY FOCUS AREAS FOR THE NEXT FINANCIAL YEAR

The Board has identified the following key focus and priority areas for the next financial year:

- ▶ Drive cost control, operational efficiency and process improvements across the Group.
- ▶ Enhance productivity, quality standards and profitability through robust performance measurement frameworks.
- ▶ Leverage digital transformation and automation to optimise operations.

During the financial year under review, Board Committee members attended meetings and approved circular resolutions. Matters deliberated by the Board Committees during the financial year under review included:

##### Governance & Audit Committee



No. of meeting held during the financial year: 5



Refer to the GAC Report on page 122 for details of key matters discussed during the financial year.

##### Nomination & Remuneration Committee



No. of meeting held during the financial year: 6



Refer to the NRC Report on page 114 for details of key matters discussed during the financial year.

##### Risk Management & Sustainability Committee



No. of meeting held during the financial year: 5



Refer to the RMSC Report on page 127 for details of key matters discussed during the financial year

##### Investment Committee



No. of meeting held during the financial year: 6



Refer to the IC Report on page 134 for details of key matters discussed during the financial year.

#### BOARD EFFECTIVENESS ASSESSMENT

The Board undertakes an annual effectiveness assessment to ensure it continues to perform at a high standard. In 2025, the assessment was facilitated independently by the Institute of Corporate Directors Malaysia (ICDM), covering the Board, its Committees and individual Directors. The evaluation was based on ten competency parameters and compliance with applicable governance requirements.

The results were positive, with all parameters scoring above 4.00 out of 5.00, confirming that the Board and its Committees operate effectively within established governance frameworks. The NRC reviewed the findings and recommended targeted improvements, where applicable. Individual feedback was shared with the Chairman, who engaged with Directors to support their development.

Based on the outcome of the BEA 2025, the Board is satisfied with the performance and effectiveness of the NRC, GAC, RMSC and IC in delivering sound advice to the Board for the financial year under review.

## BOARD ENGAGEMENT

The Group Secretary facilitates Board induction and ongoing development programme, including internal training and site visits to key operational units. These visits provide Directors with direct insights into the Group's operations and are complemented by briefings from local management teams. During the year, Directors participated in several engagement activities, including:

- a** A visit to Sime Motors in Sydney and Sime Industrial in Adelaide to review their operations;
- b** An offsite Board and Management strategy retreat in Janda Baik, focused on the Group's strategic direction; and
- c** A technical visit to UMW Toyota's manufacturing and assembly plant in Bukit Raja.

These activities promote informal interaction between the Board and Management, deepen operational understanding and support strategic alignment.

## DIRECTORS' TRAINING

In line with Paragraph 15.08 of the Listing Requirements of Bursa Securities, the Board recognises the importance of continuous education in keeping abreast with industry developments, particularly in sustainability, technological advancements and regulatory matters. Directors are provided with ongoing opportunities to enhance their competencies through conferences, seminars and curated training programmes. Training needs are periodically assessed to ensure relevance and alignment with the Group's strategic priorities.

For the financial year under review, all Directors have completed both Mandatory Accreditation Programme (MAP) Part I and Part II, except for Puan Hanizan Hood, who will complete the programme following her recent appointment. During the year, Directors participated in a wide range of training sessions, including:

- **Governance and Leadership:** "Board and Top Team Effectiveness," "Purposeful Leadership & Sustainability," "The Chairpersons' Circle," "Board Leadership in Industry Disruption," and "What Do CEOs Need from Boards."
- **Sustainability and ESG:** "Sustainability/ESG Investing," "Carbon Markets: What Directors Need to Know," "Sustainability Assurance," and "What's New in Sustainability."
- **Technology and Risk:** "AI Leadership Conference," "Mastering Technology and Data Risk in the Age of Generative AI," "Cloud Security Management," and "Cybersecurity Awareness."
- **Finance and Regulatory Updates:** "IASB-MASB Outreach on IFRS 18," "Islamic Finance for Board of Directors," "Recent Developments with the Listing Requirements," and "Ethics for Professionals in Business."
- **Specialised Topics:** "Conflict of Interest" (in-house training by an external law firm), "Insider Threats," "Ethical Decision Making," and "Data, AI and Cybersecurity – a Trinity to Enable Business Success."

These programmes reflect the Board's commitment to continuous learning and effective stewardship in a dynamic business environment.

## ACCESS TO GROUP SECRETARY AND OTHERS

The Group Secretary is a qualified Company Secretary under Section 235 of the Companies Act 2016, with roles and responsibilities clearly defined in the Board Charter. The Group Secretary also ensures proper governance support, including the timely circulation of meeting materials, accurate recording of minutes and safekeeping of Board records. Directors have unrestricted access to the Group Secretary, Management, auditors and external consultants, as well as all relevant information pertaining to the Group's operations and performance. Where necessary, Directors may seek independent professional advice at the Company's expense, subject to consultation with the Chairman and with the Board's approval.

## ETHICS AND INTEGRITY

The Board is committed to fostering a corporate culture rooted in ethics, integrity and transparency. It sets the tone from the top and reinforces this through key policies such as the Code of Business Conduct, Anti-Bribery and Anti-Corruption (ABC) Policy, COI Guideline, and Whistleblowing Charter & Framework. These policies and frameworks guide ethical behaviour and accountability across the Group, ensuring compliance with laws and promoting responsible business conduct.

## SUSTAINABILITY

The Board provides strategic oversight of the Group's sustainability agenda, ensuring that sustainability considerations are embedded across all levels of the organisation. In line with Bursa Malaysia's latest Sustainability Reporting Guide and the National Sustainability Reporting Framework (NSRF), the Group is committed to identifying, evaluating and managing material sustainability risks and opportunities. Guided by the Sustainability Blueprint, the Board monitors progress against measurable goals, including:

- Achieving a 30% reduction in emissions by 2030;
- Committing RM250 million in ESG innovation by 2025; and
- Ensuring 50% of products in the Group portfolio by 2025 are more energy-efficient than the 2020 product portfolio.

Sustainability is treated as a business imperative, essential to resilience and long-term growth. The Board integrates climate-related risks into corporate strategies and ensures alignment with global best practices. The Group's efforts are also mapped to the United Nations Sustainable Development Goals (UN SDGs), with disclosures progressively aligned to NSRF expectations to enhance transparency and accountability.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B Effective Audit and Risk Management

**The Board is committed to ensuring that the Group's financial statements provide a balanced, clear and accurate representation of its financial performance and prospects.**

#### FINANCIAL REPORTING

The GAC is responsible for reviewing the integrity, accuracy and reliability of the Group's financial statements, ensuring compliance with applicable accounting standards and regulatory requirements before recommending them to the Board for approval.

The Statement of Responsibility by the Board of Directors on the preparation of the annual audited financial statements of the Company and the Group is disclosed on page 159 of this Annual Report.

For the financial year under review, no accounting irregularities were reported by either the internal or external auditors.

#### RELATIONSHIP WITH EXTERNAL AUDITORS

The GAC maintains a formal and transparent relationship with the external auditors. As part of its oversight, the GAC held discussions with the external auditors at each quarterly meeting without the presence of Management to deliberate on matters arising from the audit.

In addition to statutory audit services, the external auditors also provided non-audit services during the financial year. The GAC is satisfied that the external auditors have maintained their independence and objectivity, while ensuring compliance with the relevant professional and ethical standards.

The Company has in place a structured process for the appointment and re-appointment of external auditors. This process requires the GAC to evaluate the auditors' compliance with qualification criteria, including assessments of their independence, objectivity and performance. In fulfilling this responsibility, the GAC ensures that the external auditors' objectivity, independence and effectiveness are preserved at all times.

#### INTERNAL AUDIT

The internal audit function of the Group is carried out independently by Group Corporate Assurance (GCA), which reports directly to the GAC with unrestricted access. GCA conducts regular audit engagements across the Group's entities and provides independent assessments on the

adequacy, efficiency and effectiveness of the Group's risk management, internal control and governance processes. It also monitors compliance with policies and procedures implemented by Management.

In performing its role, GCA adheres to the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. All audit reports, which set out key findings and recommendations, are presented to Management for response and follow-up actions. These reports, together with Management's responses, are subsequently tabled to the GAC for review and deliberation.

A summary of GCA's functions and activities during the financial year under review is disclosed in the GAC Report.

#### RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for maintaining an effective system of internal control across the Group, encompassing financial, operational, compliance and risk management controls.

The RMSC assists the Board in overseeing risk management matters as well as the Group's sustainability frameworks and policies. The RMSC reviews the risk management framework and processes to ensure their continued relevance and effectiveness, while monitoring the adequacy of risk treatment and mitigation plans in addressing key risks.

The Group's system of internal financial control is designed to safeguard assets, ensure proper maintenance of accounting records, identify and manage business risks, and secure compliance with applicable laws and regulations.

An overview of the state of internal control and risk management within the Group is provided in the Statement on Risk Management and Internal Control of this Annual Report.

The Board, with RMSC's support, monitors closely the Group's top risks and provides relevant direction and guidance in addressing key exposures including geopolitical uncertainties, market competition, supply chain disruptions and cybersecurity risks. For details of these risks and its mitigation actions, please refer to Enterprise Risk Management on pages 41 to 44, and Creating Sustainable Value on pages 64 to 89.

**PRINCIPLE C Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders**

**The Board recognises that effective stakeholder engagement is integral to good corporate governance. By fostering open communication, managing expectations and embedding transparency in the Group's reporting, we strengthen relationships with stakeholders and reinforce our commitment to sustainable growth.**

The Board recognises the importance of purposeful relationships with shareholders in strengthening ties with the investment community. This commitment is demonstrated through proactive engagement initiatives carried out throughout the financial year under review.

Ongoing communication with shareholders and other stakeholders is vital to fostering trust, facilitating mutual understanding and supporting the sustainable growth of the business. Regular engagement provides stakeholders with deeper insights into the Company, while enabling the Board to better understand and respond to their expectations.

The Company maintains open and constructive dialogue with diverse stakeholder groups, including regulatory agencies, employees, shareholders, investors, customers, local communities, the general public, non-governmental organisations, the media and international bodies. The views and concerns of these stakeholders, particularly in relation to governance, environmental and social matters, are given due consideration in the Board's decision-making process.

We define our key stakeholders as those who have an interest in, are impacted by or are able to exert significant influence on the business. All stakeholders, whether through direct or indirect means, play a critical role in shaping the sustainability of the Group's operations.

The Company does not distinguish between institutional and private investors and is committed to treating all shareholders equitably. In line with this principle, measures are taken to ensure equal access to information and the timely disclosure of material developments.

The Board holds overall responsibility for ensuring that the Group actively engages with its stakeholders and communicates with them effectively.

The Board is committed to providing fair, objective and meaningful assessments of the Group's financial position and prospects through its quarterly financial results, annual financial statements, integrated annual report and all other disclosures to shareholders, investors, regulators and stakeholders.

 For more details about our stakeholder engagement activities, please refer to the Stakeholder Engagement and Value Creation section on pages 28 to 33 of this Annual Report.

**ANNUAL GENERAL MEETING**

The Annual General Meeting (AGM) serves as a key platform for two-way communication between the Board and shareholders. The Board ensures that shareholders are provided with sufficient notice and adequate time to review and consider the resolutions to be tabled at the AGM.

The Notice of AGM, together with the agenda, proposed resolutions and supporting information, would be circulated to shareholders at least 28 days prior to the meeting, in line with regulatory requirements and corporate governance best practices.

The 18th AGM of Sime was held virtually on 14 November 2024, and was attended by all Directors, members of Management, external auditors and valued shareholders.

During the meeting, the GCEO presented an overview of the Group's financial and business performance for the financial year under review, highlighted key challenges and shared the performance outlook for the new financial year.

All questions submitted by the Minority Shareholders Watch Group as well as other shareholders, both prior to and during the AGM, were addressed, with the Company's responses duly shared. The proceedings of the AGM were properly recorded in the minutes, which were subsequently published on the Company's corporate website within 30 business days from the AGM meeting date.



## NOMINATION & REMUNERATION COMMITTEE REPORT

**Dato' Dr Nirmala Menon**

Chairperson of the Nomination & Remuneration Committee



This report outlines the Nomination & Remuneration Committee's (NRC) pivotal role in strengthening governance and driving long-term growth through its oversight of Board nominations, remuneration, succession planning and human capital development.

### COMPOSITION

In compliance with Paragraph 15.08A(1) of the Listing Requirements, the NRC comprises four members, exclusively Non-Executive Directors (NEDs), with a majority being Independent Non-Executive Directors (INEDs). The NRC complies with Practices 1.4 and 5.8 of the MCCG 2021, which stipulates that the Board Chairman should not be a member of the NRC and an Independent Director or Senior Independent Director chairs the NRC; currently fulfilled by an Independent Director.

During the year, changes were made to the composition of the NRC. Dato' Dr Nirmala Menon, an existing NRC member, was appointed as Chairperson of the NRC, succeeding Tan Sri Muhammad Shahrul Ikram Yaakob, who was redesignated as a member effective 1 July 2025. The redesignation reflects Tan Sri Shahrul's recent appointment as Malaysia's Ambassador to the United States of America. This change enables Tan Sri Shahrul to balance his time commitments while continuing to serve effectively as a Director of Sime. In addition, Encik Mohamad Idros Mosin was succeeded by Puan Hanizan Hood as a member of the NRC, following her appointment as a nominee director of Permodalan Nasional Berhad (PNB) in place of Encik Idros on the Board of Sime, effective 1 July 2025.

## ROLES AND RESPONSIBILITIES

The NRC's role, among others, is to support the Board in discharging its responsibilities by ensuring the Board remains effective and well balanced with the required mix of skills, experience and knowledge. The NRC also ensures adequate focus on succession planning of critical roles within the Group and recommends to the Board the remuneration structure for the NEDs and the Group's remuneration and bonus framework.

In carrying out its entrusted responsibilities, the NRC plays a pivotal role in shaping the Group's leadership landscape, fostering long-term sustainable growth and enabling the achievement of its strategic objectives. Through a rigorous nomination and review processes, the NRC reinforces the Group's commitment to excellence, transparency and governance best practices.

The Terms of Reference (TOR) outlining the authority, duties and responsibilities of the NRC can be accessed on the Company's website at <https://www.sime.com/sustainability/governance/>.

Below are details regarding the composition of the NRC and the attendance record of its members for the financial year under review:

| Members                                            | Membership/Designation                         | Appointment      | Attendance        |                     |
|----------------------------------------------------|------------------------------------------------|------------------|-------------------|---------------------|
|                                                    |                                                |                  | Scheduled Meeting | Unscheduled Meeting |
| Dato' Dr Nirmala Menon <sup>1</sup>                | Chairperson/Independent Non-Executive Director | 15 November 2022 | 5/5               | 1/1                 |
| Tan Sri Muhammad Shahrul Ikram Yaakob <sup>2</sup> | Member/Independent Non-Executive Director      | 25 July 2022     | 5/5               | 1/1                 |
| Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir    | Member/Independent Non-Executive Director      | 8 March 2024     | 5/5               | 1/1                 |
| Hanizan Hood <sup>3</sup>                          | Member/Non-Independent Non-Executive Director  | 1 July 2025      | Not applicable    | Not applicable      |
| Mohamad Idros Mosin <sup>4</sup>                   | Member/Non-Independent Non-Executive Director  | 21 November 2018 | 5/5               | 1/1                 |

### Notes:

<sup>1</sup> Redesignated as Chairperson of the NRC with effect from 1 July 2025.

<sup>2</sup> Redesignated as a member of the NRC with effect from 1 July 2025.

<sup>3</sup> Appointed as a member of the NRC with effect from 1 July 2025.

<sup>4</sup> Resigned as a member of the NRC with effect from 1 July 2025.

## MEETINGS AND ATTENDANCE

The NRC met six times during the financial year under review, with all meetings duly convened in compliance with the quorum requirements stipulated in the NRC's TOR.

The meetings were scheduled in advance, enabling members and Management to plan ahead and incorporate the meeting dates into their calendars. The agenda and relevant meeting papers were circulated to NRC members via collaborative software, ensuring timely access to the documents prior to the meetings. In accordance with its TOR, the NRC meets as and when necessary to fulfil its responsibilities.



## NOMINATION & REMUNERATION COMMITTEE REPORT

### KEY ACTIVITIES OF FY2025

| Key Focus Areas              | Outcomes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Nomination Function</b>   | <ul style="list-style-type: none"> <li>Evaluated suitable candidates for appointments to the Board, Board Committees and senior management positions.</li> <li>Reviewed and assessed the performance of contributions of Directors seeking re-election at the 18th Annual General Meeting (AGM).</li> <li>Reviewed the succession planning and performance evaluation of the Board, Board Committees and the senior management team.</li> <li>Reviewed the succession plan for critical positions within the Group.</li> </ul>                                                                                                                                                                                                                                                                                                                   |
| <b>Remuneration Function</b> | <ul style="list-style-type: none"> <li>Assessed the bonus payouts and salary increments for employees of the Group, the GCEO and his direct reports.</li> <li>Deliberated on the renewal of fixed-term contracts for key management positions.</li> <li>Reviewed the new grant and vesting of retention cash under the Long-Term Cash Incentive Plan (LTCIP).</li> <li>Evaluated the Directors' fees and benefits for NEDs of Sime for approval of shareholders at the 18th AGM.</li> <li>Reviewed the Mutual Separation Scheme exercise of UMW division.</li> <li>Considered the harmonisation plan between the UMW division and Sime employee benefits.</li> <li>Reviewed the changes to the policy on benefits for NEDs of Sime.</li> <li>Reviewed the benefits for employees of the Motors and Industrial divisions in Australia.</li> </ul> |
| <b>Governance Function</b>   | <ul style="list-style-type: none"> <li>Reviewed the terms of office and the performance of the GAC.</li> <li>Considered the changes to the TOR of Board Committees.</li> <li>Reviewed the NRC Report for inclusion in the Sime Annual Report 2024.</li> <li>Assessed the GCEO's key performance indicators (KPIs) and scorecard for the new financial year.</li> <li>Reviewed the compliance status of the Board Committees with their respective TOR.</li> <li>Facilitated the Board Effectiveness Assessment (BEA) 2025.</li> <li>Reviewed the updates and progress of the integration of Sime and UMW division.</li> </ul>                                                                                                                                                                                                                    |

### FIT AND PROPER POLICY

Pursuant to Paragraph 15.01A of the Listing Requirements, listed issuers are required to establish a comprehensive Fit and Proper Policy to govern the appointment and re-election of directors of the listed issuer and its subsidiaries. Sime's Fit and Proper Policy, established on 16 February 2022, sets out the criteria for assessing directors standing for re-election as well as the process for evaluating candidates for new appointments with the focus on character and integrity, experience, competence and time commitment.

During the financial year under review, the Board, through the NRC, assessed the fitness and propriety of the Directors in accordance with this policy, alongside the annual BEA exercise. The Board was satisfied that all Directors met the prescribed standards of fitness and propriety.

## NEW BOARD APPOINTMENT AND RE-APPOINTMENT

Sime adopts a rigorous and transparent screening process for the appointment and re-appointment of Directors, ensuring that the composition and needs of the Board are carefully considered, while ensuring compliance with the Company's Fit and Proper Policy and Board Composition Policy. The NRC has access to a wide pool of candidates, including those recommended by Board members, Management, major shareholders, as well as external sources. All proposed appointments and re-appointments are evaluated by the NRC before making a recommendation to the Board.

Once a potential candidate is shortlisted, the Group Secretary conducts thorough background checks, including assessments of any civil or criminal charges from publicly available sources, to evaluate the candidate's character and integrity. In addition, the NRC considers the Group's strategic direction when evaluating candidates for new appointments.

The following depicts the process for Director appointment:



In line with the Company's protocol, Directors are required to observe specific guidelines when considering new directorships outside the Sime Group. Prior to accepting any such appointment, a Director must first consult with the Chairman of the Board to ensure that the role is not in conflict with the Company's interests. Upon acceptance, the Director must promptly notify the Group Secretary in writing, enabling the Group Secretary to inform the Board and the relevant regulatory authorities. Directors are also provided with clear expectations on the time commitment required to effectively discharge their roles and responsibilities. They must confirm their ability to allocate sufficient time to the Company, taking into account their existing board positions and other commitments. In compliance with the Listing Requirements, no Director holds more than five directorships in listed issuers.

In this context, the Board reviewed Tan Sri Shahrul's appointment as Malaysia's Ambassador to the United States of America to assess its alignment with Sime's governance framework. The Board, with NRC's input, considered his ability to continue fulfilling his duties as an Independent Director and concluded that the role does not compromise his independence or effectiveness. The Board supported his continued service on the Board.

The NRC and the Board regularly review the composition of the Board and its Committees to ensure that members collectively possess the requisite skills, experience and expertise to address challenges effectively and to contribute towards achieving the Group's strategic objectives.

During the year, Puan Hanizan Hood was appointed as a Non Independent Non-Executive Director of Sime, succeeding Encik Mohamad Idros Mosin as the nominee director of PNB. Puan Hanizan Hood brings with her extensive experience in investment and fund management, and the Board is confident that her expertise and insights will further enhance its effectiveness in steering the Company and the Group towards continued success.

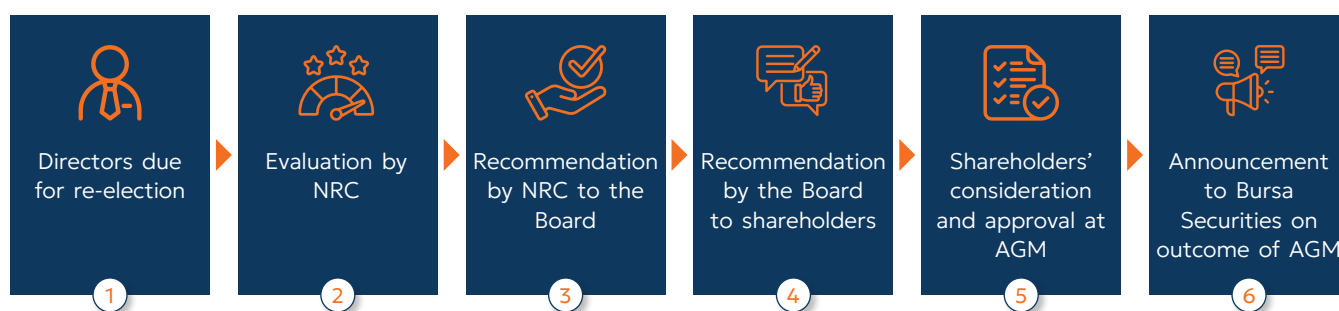
With her appointment, the Board now comprises four (4) female Directors, thereby achieving the 30% women representation target. This appointment reflects Sime's continued commitment to promoting gender diversity and strengthening female representation on the Board.

## NOMINATION & REMUNERATION COMMITTEE REPORT

### RE-ELECTION OF DIRECTORS

The NRC ensures that the retirement and re-election of Directors are in compliance with applicable laws, regulations and the Company's Constitution. In considering Directors for re-election at the forthcoming Annual General Meeting (AGM), the NRC evaluates the performance and contribution of those Directors who are due for retirement before making its recommendations to the Board.

The following depicts the process for re-election of Directors:



Rule 103 of the Constitution stipulates that at least one-third (1/3) of the Directors must retire by rotation at the AGM at least once every three years and are eligible for re-election.

Prior to submission of any recommendations to the Board, the rotation list of Directors is presented to the NRC for consideration. The NRC then undertakes an assessment of the Directors seeking re-election, evaluating their competencies, commitment, contribution and performance based on the BEA. This assessment also encompasses compliance with the Fit and Proper Policy, including the prescribed criteria, any legal convictions and potential conflicts of interest. Directors seeking re-election are also required to provide their consent for re-election.

In the evaluation, the NRC considers the performance of the retiring Directors and, in the case of Independent Directors, their independence, before making recommendations to the Board. The Board's recommendations are then tabled for shareholders' approval at the AGM.

To assess the eligibility of Directors for re-election at the 19th AGM, the NRC considers the following factors:

- ▶ Performance and contributions of the Directors including BEA 2025 results;
- ▶ Level and quality of contribution to Board and Board Committee deliberations;
- ▶ Character, integrity, experience and competence and overall fitness and propriety;
- ▶ Degree of independence demonstrated by Independent Directors; and
- ▶ Commitment and ability to devote sufficient time to discharge their responsibilities effectively.

The Directors retiring pursuant to Rule 103 of the Company's Constitution at the 19th AGM are:

1. Tan Sri Muhammad Shahrul Ikram Yaakob
2. Thayaparan Sangarapillai
3. Dato' Dr Nirmala Menon
4. Dato' Jeffri Salim Davidson

Based on the assessment, the Board and the NRC are satisfied that the Directors seeking re-election at the 19th AGM have met the performance criteria required of an effective and high-performing Board. These Directors have consistently demonstrated their commitment to diligently fulfilling their duties in alignment with the Board's expectations.

Pursuant to Rule 82.2 of the Company's Constitution, Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the conclusion of the next AGM and shall be eligible for re-election. Accordingly, Puan Hanizan Hood, who was appointed to the Board during the year, will retire under Rule 82.2.

The Directors standing for re-election under Rule 82.2 and Rule 103, respectively, have provided their consent and offered themselves for re-election at the 19th AGM. They have also abstained from all deliberations and decisions concerning their eligibility at the relevant Board and NRC meetings.

In line with Practice 5.3 of MCCG 2021 and the Board Charter, none of the Independent Directors has served the Board for more than nine (9) years, ensuring continued adherence to the Board's independence criteria.

## REMUNERATION APPROACH

The Board has delegated to the NRC the responsibility of establishing the principles, parameters and governance framework for the Group's remuneration matters. The remuneration structure for NEDs is designed to attract and retain high-calibre Board members and reflects prevailing market practices and trends. The NRC conducts regular reviews to ensure that compensation for NEDs remains competitive and appropriate, considering their responsibilities and the complexity of the Group's operations.

For the GCEO, the remuneration framework is structured to align rewards with both corporate and individual performance. It comprises salary, allowances, bonuses, and customary benefits that are benchmarked against comparable companies. The GCEO's performance is assessed against KPIs outlined in a scorecard aligned with Board-approved corporate objectives, as well as the targets set in the Group's annual budget and plans. The NRC conducts an annual review of the GCEO's performance and submits recommendations to the Board on any adjustments to his remuneration and rewards, based on his contributions to the Group's success. The GCEO abstains from participating in discussions and decisions relating to his own remuneration at Board meetings.

In addition to standard remuneration, the Company incentivises the GCEO through a performance-based cash plan, further strengthening the link between individual performance and long-term value creation for the organisation.

With respect to Senior Management, detailed disclosure of the top five executives' remuneration is not provided in accordance with Practice 8.2 of the MCCG 2021 due to concerns over industry poaching. Safeguarding sensitive compensation information is essential to prevent competitors from using it to attract the Group's key talent. Notwithstanding this, the Company remains committed to meeting regulatory requirements while balancing the need to protect competitive information. The Group continues to review its practices and explores alternative disclosure approaches that enhance transparency and fairness while remaining aligned with market standards and regulatory expectations.

The Group's remuneration philosophy reflects its commitment to best practices in compensation, retention, and reward, aimed at attracting and retaining top talent. To support this, we regularly evaluate and benchmark our remuneration packages and incentives against market standards. By aligning our practices with industry benchmarks, we seek to create a competitive and compelling structure that recognises and rewards excellence.

Attracting and retaining skilled and motivated individuals is essential for the Group's sustained growth and its ability to deliver exceptional value to stakeholders. We are committed to fostering a culture of meritocracy, transparency and fairness in our remuneration processes. By adhering to best practices, we ensure a dynamic, high-performing workforce that is motivated, engaged and dedicated to driving the Group's continued success.

## NOMINATION & REMUNERATION COMMITTEE REPORT

The details of the Directors' remuneration received from the Group in FY2025 are as follows:

|                                                    | Salary &<br>Other<br>Remuneration | Directors' Fees |            | Benefits | LTCIP®           |           |
|----------------------------------------------------|-----------------------------------|-----------------|------------|----------|------------------|-----------|
|                                                    |                                   | Company         | Subsidiary |          |                  | Total     |
| Executive Director                                 |                                   |                 |            |          |                  |           |
| Dato' Jeffri Salim Davidson                        | 4,286,208                         | –               | –          | 91,474   | 2,310,000        | 6,687,682 |
| Non-Executive Directors                            |                                   |                 |            |          |                  |           |
| Tan Sri Samsudin Osman                             | N/A <sup>1</sup>                  | 560,000         | –          | 23,469   | N/A <sup>1</sup> | 583,469   |
| Dato' Lee Cheow Hock Lawrence                      |                                   | 470,000         | –          | 63,701   |                  | 533,701   |
| Dato' Dr Nirmala Menon                             |                                   | 460,000         | –          | 29,390   |                  | 489,390   |
| Scott William Cameron                              |                                   | 470,000         | –          | 5,158    |                  | 475,158   |
| Thayaparan Sangarapillai                           |                                   | 370,000         | –          | 45,896   |                  | 415,896   |
| Tengku Dato' Sri Azmil Zahrudin<br>Raja Abdul Aziz |                                   | 340,000         | –          | 60,769   |                  | 400,769   |
| Tan Sri Muhammad Shahrul Ikram<br>Yaakob           |                                   | 360,000         | –          | 6,878    |                  | 366,878   |
| Mohamad Idros Mosin^                               |                                   | 350,000         | –          | 1,422    |                  | 351,422   |
| Tan Sri Ahmad Badri Mohd Zahir                     |                                   | 320,000         | –          | 1,750    |                  | 321,750   |
| Moy Pui Yee                                        |                                   | 290,000         | –          | 8,711    |                  | 298,711   |
| Professor Datuk Ts. Ir. Dr. Siti<br>Hamisah Tapsir |                                   | 280,000         | –          | 1,488    |                  | 281,488   |
| Edree Ahmad                                        |                                   | –               | –          | 685      |                  | 685       |
| Total for Non-Executive Directors                  |                                   | 4,270,000       | –          | 249,317  |                  | 4,519,317 |

**Notes:**

<sup>1</sup> N/A – Not Applicable

® Long Term Cash Incentive Plan

<sup>^</sup> Paid to PNB

## ANNUAL EFFECTIVENESS REVIEW AND PERFORMANCE

Board effectiveness is fundamental to achieving the Group's strategic objectives and ensuring long-term success. It reflects the Board's ability to fulfil its mandate and provide effective stewardship of the organisation, both now and in the future.

The NRC assists the Board in its annual review of effectiveness through the BEA. This assessment evaluates the performance of the Board, its Committees and individual Directors, identifying areas for improvement and addressing any gaps. It also informs the consideration of Directors due for re-election at the AGM.

For FY2025, the Institute of Corporate Directors Malaysia (ICDM) was engaged as the independent external party to conduct the annual BEA focusing on board leadership and effectiveness, board governance process and stakeholder management.

The evaluation process encompassed Board and Board Committee surveys, incorporating both quantitative and qualitative assessments, interviews with Directors and Management to gain deeper insights, as well as self and peer-assessments of individual Directors.

Overall, ICDM reported that the Board as a whole, met the expectations of a high-performing board, with no major concerns arising from the evaluation of Board effectiveness. The BEA 2025 results across all parameters set by ICDM remained above a rating of 4.00 (out of 5.00), demonstrating the Board's strong performance.

While the Board is encouraged by the findings, it remains committed to continuous improvement and has identified the following priorities for FY2026:

- (i) Information Flow: Presentation of Board papers will be enhanced to ensure conciseness and focus on key issues. Additionally, Board Committee Chairs will be allocated extra time on a rotational basis to discuss priority and strategic areas during Board meetings, beyond the regular periodic updates.

- (ii) Succession Planning: We aim to drive succession through an improved structure and a transparent planning process for both Board and key management leadership positions, addressing the Group's future needs.
- (iii) Board Training and Skillset Oversight: A more deliberate and collective approach will be taken towards Board training and professional development courses, aligning them with the gaps identified through a comprehensive Board competency matrix.

The NRC and Board will oversee the execution of targeted outcomes and action plans to further enhance the effectiveness of the Board and its Committees.

## REVIEW OF THE GAC

Pursuant to Paragraph 15.20 of the Listing Requirements, the NRC, considering the BEA 2025 outcome, reviewed the terms of office and performance of the GAC. The NRC is satisfied that both the Committee as a whole and its individual members have effectively discharged their functions, duties and responsibilities in accordance with the Committee's TOR.

## REVIEW OF THE NRC

As part of the BEA 2025, the performance of all Board Committees, including the NRC, was assessed. The evaluation confirmed that the NRC has played its role effectively. The Board is pleased with the NRC's performance and its continued effectiveness in fulfilling its responsibilities.





## GOVERNANCE & AUDIT COMMITTEE REPORT

### **Thayaparan Sangarapillai**

Chairman of the Governance and  
Audit Committee/Senior Independent  
Non-Executive Director

### MEETINGS AND ATTENDANCE

| Members                                                | Membership/Designation                                          | Appointment      | Attendance |
|--------------------------------------------------------|-----------------------------------------------------------------|------------------|------------|
| <b>Thayaparan Sangarapillai</b>                        | Chairman/Senior Independent Non-Executive Director <sup>^</sup> | 1 December 2017  | 5/5        |
| <b>Tan Sri Muhammad Shahrul Ikram Yaakob</b>           | Member/Independent Non-Executive Director                       | 15 November 2022 | 5/5        |
| <b>Scott William Cameron</b>                           | Member/Independent Non-Executive Director                       | 1 January 2023   | 5/5        |
| <b>Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz</b> | Member/Independent Non-Executive Director                       | 24 August 2023   | 5/5        |

**Notes:**

<sup>^</sup> Appointed as the Senior Independent Non-Executive Director of Sime Darby Berhad on 24 August 2023.

### COMPOSITION

The Governance & Audit Committee (GAC) is chaired by Mr Thayaparan Sangarapillai and comprises four members. All four are Independent Non-Executive Directors, in compliance with the Main Market Listing Requirements (Listing Requirements) of Bursa Malaysia Securities Berhad (Bursa Securities) and the Malaysian Code on Corporate Governance 2021.

## ROLES AND RESPONSIBILITIES

A committee of the Sime Board, the GAC is tasked with the following primary objectives:



to assist the Board in fulfilling its statutory and fiduciary responsibility of monitoring the Group's management of its financial risk processes, accounting and financial reporting practices;



to review the Group's business processes and the quality of its accounting functions, financial reporting and internal controls;



to enhance the independence of both the external and internal audit functions by providing direction and oversight on behalf of the Board; and



to assist the Board in ensuring that an effective ethics programme is implemented across the Group and in monitoring compliance with established policies and procedures.

In discharging its responsibilities, the GAC is assisted by the Group Corporate Assurance (GCA) and Group Risk & Compliance (GRC) departments.

The performance of the GAC for FY2025 was evaluated as part of the BEA 2025 exercise. Based on the results of the assessment, the Board was satisfied that the GAC has discharged its duties responsibly and effectively. The performance of the GAC was also in accordance with the Committee's TOR.

 Detailed Terms of Reference of the GAC is available at <https://www.sime.com/sustainability/governance/>

## KEY ACTIVITIES OF FY2025

### Financial Reporting

Reviewed and recommended to the Board for approval:

- all quarterly financial results and the annual audited financial statements for FY2025. The GAC's review focused on changes to accounting policies, areas of significant judgement and corrected misstatements;
- the dividends proposed by the Management for the financial year and solvency; and
- the issuance of Letters of Financial Support to subsidiaries of the company.

### External Audit

- Reviewed and approved the Group Audit Plan, which outlines the audit strategy and approach for FY2025.
- Received the Annual Transparency Report (ATR) prepared by external auditors, which contains the audit firm's legal and governance structure and measures taken to uphold audit quality and manage risks and indicators of audit quality.
- Affirmed that Messrs. PricewaterhouseCoopers PLT and all members of its engagement team maintained their independence in accordance with the provisions of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.
- Noted the internal controls memorandum for the financial year ended 30 June 2024.
- Held four (4) meetings with the external auditors without Management's presence to allow the external auditors to raise concerns, if any and discuss relevant issues and obtain feedback for improvement.
- Considered in consultation with the Management, the Group's audit fees and provision of non-audit services by the external auditors for FY2025 for recommendation to the Board for approval.
- Completed the annual external auditors' assessment prior to submitting the recommendation for re-appointment of the external auditors to the Board for approval. Among other things, the assessment covered:
  - governance and independence;
  - communication and interaction; and
  - quality of resources and services.

## GOVERNANCE & AUDIT COMMITTEE REPORT

### Internal Audit

- Reviewed and approved GCA's audit plan and operating budget for FY2026.
- Reviewed and approved GCA's audit plan for the 6-month period from January to June 2025 to include the newly acquired UMW business.
- Reviewed internal audit reports at each GAC meeting.
- Considered the following:
  - results of planned audits, business advisory reviews and data analytics initiatives;
  - results of whistleblowing investigations and ad-hoc assignments requested by management;
  - adequacy of the management's responses to audit findings and recommendations;
  - status of audits as compared to the approved Corporate Assurance Plan; and
  - adequacy of audit resources.
- The GAC also provided suggestions for improvement to reinforce the oversight role and to ensure that management holds individuals accountable for their internal control, risk management and governance responsibilities.
- Approved the KPIs for FY2025 and at the end of the financial year, conducted the performance appraisal for the Group Chief Assurance Officer.
- Reviewed the summary of internal control observations pre and post-delisting of UMW Holdings Berhad.
- Reviewed the results of the Quality Assurance Review on UMW Holdings Berhad's internal audit function.
- Reviewed GCA's report on the Environmental, Social and Governance material matters and overall target assurance.

### Related Party Transactions (RPTs) and Recurrent Related Party Transactions (RRPTs)

Reviewed RPTs and RRPTs of the Group to ensure compliance with Companies Act 2016, the Main Market Listing Requirements and the Malaysian Financial Reporting Standards. The objective of the review is to ensure that RPTs and RRPTs are not accorded terms more favourable than that generally available to the public and that they are not detrimental to the interest of minority shareholders.

### Governance and Regulatory Compliance

- Conducted annual review of Group Policies and Authorities (GPAs) and made key amendments related to:
  - Changes in reporting lines and their consequential changes to the GPA process owners and approving authorities;
  - Changes to strengthen governance in ensuring compliance with regulatory requirements;
  - Changes to align Group IT's initiatives on data classification; and
  - Changes in line with Sime's rebranding exercise and to align supplementary policies, procedures and guidelines which support the GPA.
- Reviewed the Statement on Risk Management and Internal Controls.

### Annual Report

Reviewed and endorsed the following:

- Annual Audited Financial Statements for FY2025;
- Statement on Risk Management and Internal Controls;
- GAC report for inclusion in Sime Darby Berhad Annual Report 2025; and
- Corporate Governance Overview Statement.

### Other Items

Reviewed:

- The internal Guideline on Conflict of Interest (COI) involving Directors and key senior management of the Group.
- The disclosure of COI from Sime Darby Berhad Board members and senior management.
- The proposed revision to the Terms of Reference of GAC were primarily intended to align with the updated leadership changes within the SDB Group and for clarity.
- Group sponsorships and donations approved by the GCEO for FY2025.
- Status updates by the Group IT department on internal control recommendations and mitigation plans as well as cybersecurity initiatives.
- Summary of the GCEO's approval of investments and capital expenditure in accordance with his limits of authority for FY2025.
- Reviewed the reporting of beneficial owners by Sime Darby Berhad under the Malaysian Reporting Framework for Beneficial Ownership of Companies.

## KEY MATTERS CONSIDERED

At every committee meeting, the GAC receives updates on key governance matters, audit initiatives and issues across the Group. The Committee also reviews and reports to the Board on key matters including financial reporting, significant judgments made by the management, significant and unusual events or transactions and how these matters are addressed.

### Some of the areas and key matters considered by the Committee during the financial year include:

| Significant Initiatives/<br>Issues                                                     | Matters Considered                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Outcomes                                                                                                                                             |
|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Recoverability of Indefinite Useful Life of Intangible Assets' Carrying Amounts</b> | <p>As at 30 June 2025, Sime Group's carrying amount of goodwill and distribution/dealership rights amounted to RM1,417 million and RM1,299 million, respectively.</p> <p>Goodwill and intangible assets with indefinite useful life are subject to annual impairment testing. The focus was 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.</p> <p>Management performed impairment assessments of the CGUs based on value-in-use determined using discounted cash flow projections based on approved budgets by the Board of Directors. Management also prepared cash flow projections considering actual historical results, such as the outcome of tender processes, secured contracts or latest available market information.</p>                                                                                                                             | <b>The GAC concurred with the management's assessment on the recoverability of the indefinite useful life of intangible assets carrying amounts.</b> |
| <b>Provision of Warranties</b>                                                         | <p>The Group recognises provision for liabilities associated with the warranties provided on certain products. This requires an estimation of the expenditure required to settle the present obligation at the reporting date. In determining the provision, the Group made assumptions in relation to the expected cost to repair and/or replace the products and the expected timing of those costs. As at 30 June 2025, the provision for warranty amounted to RM451 million.</p> <p>Provision is recognised on product warranty claims for the sale of machinery, vehicles and other products 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 historical claims experience, as well as recent trends 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 the future warranty obligations. The assumptions used in determining the provision for warranty involves significant management judgements and estimates.</p> | <b>The GAC concurred with the management's assessment for the provision of warranties.</b>                                                           |

## GOVERNANCE & AUDIT COMMITTEE REPORT

### GROUP CORPORATE ASSURANCE (GCA) DEPARTMENT

The Group's internal audit function is carried out by the GCA department. This department is headed by Mr Ramesh Ramanathan, who has more than 25 years of experience with two prominent "Big 4" accounting firms. He is a Fellow Member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants.

The department acts as a centralised function supported by regional corporate assurance teams that have direct control and supervision over audit services in designated regions across the Group. There are a total of 50 internal auditors led by regional heads in Malaysia, Australia and China.

The department is guided by its charter, which delegates functional reporting to the GAC and administrative reporting to the GCEO. This is to ensure an appropriate degree of independence from operational units of the Group. To uphold independence and objectivity, internal auditors declare annually that they are free from any relationships or conflicts of interest that could compromise their impartiality.

The principal responsibilities of the GCA are to undertake regular systematic reviews of internal control systems and to provide reasonable assurance that the systems in place continue to operate satisfactorily and effectively throughout the Group.

GCA employs a risk-based approach to internal auditing, ensuring the annual audit plan focuses on the Group's principal risks and critical areas aligned with its strategic objectives. The plan is developed using input from a variety of sources, including business strategies and objectives, the materiality and criticality of operations, the maturity of internal controls in auditable areas and feedback from stakeholders.

The GAC reviews, challenges and approves the annual GCA audit plan with periodic reviews to ensure business alignment, appropriate risk assessment and audit methodology and to ensure robustness in the audit planning process. There was one outsourced audit assignment during the year under review.

The Quality Assurance and Improvement Programme, which focuses on the efficiency and effectiveness of audit processes, continues to be applied to assess the quality of audit processes adopted. The programme conducts ongoing internal assessments to identify and make appropriate recommendations for the improvement of key activities within GCA. These are carried out in the form of annual internal team validations.

In FY2025, the total cost incurred for the internal audit function at the Group was RM20.8 million. In comparison, the cost was RM16.9 million in FY2024.

### GROUP RISK & COMPLIANCE (GRC) DEPARTMENT

The GRC assists the GAC in governance oversight, particularly in the review of the adequacy and effectiveness of Group Policies and Authorities (GPAs) and Group Procurement Policies and Authorities (GPPA).

 For further details, please refer to the Risk Management & Sustainability Committee Report on pages 127 to 133 of this report.

This report is made in accordance with a resolution of the Board of Directors dated 25 September 2025.



# RISK MANAGEMENT & SUSTAINABILITY COMMITTEE REPORT

**Tan Sri Ahmad Badri Mohd Zahir**

Chairman of the Risk Management & Sustainability Committee

## MEETINGS AND ATTENDANCE

| Members                                                    | Membership                                         | Appointment      | Attendance |
|------------------------------------------------------------|----------------------------------------------------|------------------|------------|
| <b>Tan Sri Ahmad Badri Mohd Zahir</b>                      | Chairman/Non-Independent<br>Non-Executive Director | 1 December 2020  | 5/5        |
| <b>Dato' Lee Cheow Hock Lawrence</b>                       | Member/Non-Independent<br>Non-Executive Director   | 20 July 2018     | 5/5        |
| <b>Ms Moy Pui Yee</b>                                      | Member/Independent Non-Executive<br>Director       | 20 July 2018     | 4/5        |
| <b>Mr Thayaparan Sangarapillai</b>                         | Member/Independent Non-Executive<br>Director       | 4 September 2019 | 4/5        |
| <b>Tengku Dato' Sri Azmil Zahrudin<br/>Raja Abdul Aziz</b> | Member/Independent Non-Executive<br>Director       | 24 August 2023   | 5/5        |



## RISK MANAGEMENT & SUSTAINABILITY COMMITTEE REPORT

### COMPOSITION

The Risk Management and Sustainability Committee (RMSC), led by Tan Sri Ahmad Badri Mohd Zahir, consists of three Independent Non-Executive Directors and a Non-Independent Non-Executive Director. Members of the RMSC bring with them a diverse set of expertise and experience and have solid understanding of the sectors in which the Group operates.

This enables them to execute their role of anticipating, assessing and mitigating potential risks, by challenging and facilitating robust discussions on the management of the Group's key risk and sustainability areas.

### ROLES AND RESPONSIBILITIES

The RMSC is primarily responsible for overseeing risk management and sustainability frameworks and policies within the Group and reviewing the efficacy of internal controls to address key risks. The Committee assists the Board in discharging its main responsibilities of identifying principal risks and key trends and deliberating strategic action plans to mitigate the impact of such risks, in addition to monitoring the effectiveness of the sustainability strategy across the Group.

The main functions and duties of the RMSC as specified in the Terms of Reference include but are not limited to the following:



Oversee the implementation of the Group's risk management framework, policies and procedures in identifying and managing risks across the Group's business operations;



Review the statement on risk management and internal control in the Group's Annual Report to ensure that relevant information as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR) is disclosed;



Oversee the formulation and implementation of policies and programmes to address the Group's key compliance risk areas including any related material matters arising thereof as identified by the risk framework;



Evaluate the effectiveness of the risk management framework, processes and support system to identify, assess, monitor and manage the Group's key risks;



Assist the Board in fulfilling its oversight responsibilities in relation to Group's sustainability strategy, goals, targets and initiatives focusing on economic, environment and social aspect of the Group.



Oversee the processes, framework and strategies designed to manage economic, environmental and social risks, covering matters such as safety, health, employment practices, environmental practices, human rights, community relations and other relevant sustainability matters; and



Review and recommend the integration of sustainability including the Group's Sustainability Statement and reporting in the Group's Annual Report in line with the requirements under the MMLR.

In discharging its responsibilities, the RMSC is assisted functionally by the GRC, Group Sustainability and Group Safety.

 Detailed Terms of Reference of the RMSC is available at <https://www.sime.com/sustainability/governance>

## THE GROUP RISK & COMPLIANCE DEPARTMENT (GRC)

GRC's primary role is to assist the RMSC and the Board in discharging their risk management and compliance integrity responsibilities.

GRC is structured to ensure that adequate support is provided at both the GHO and Divisional levels, with responsibilities mainly, but are not limited to the following:

- 1 Assessment and Advisory**  
Identify, assess and evaluate key strategic, operational, financial and compliance risk areas, as well as risks pertaining to major business proposals;
- 2 Training and Awareness**  
Inculcate a strong risk and compliance centric culture across the Group by imparting the necessary skills, knowledge and understanding of risk and compliance management;
- 3 Policy Governance**  
Establish, institutionalise and implement the relevant framework, policies and guidelines for risk and compliance management such as the ERM Framework, BCM Framework, Sime Anti-Corruption Plan, Anti-Bribery & Anti-Corruption Policy and the Human Rights Charter;
- 4 Compliance Programme**  
Implement risk-based compliance monitoring programme to drive and embed a culture of ethical behaviour and integrity;
- 5 Resilience Management**  
Enhance the Group's resilience in the event of a crisis or disaster and ensure the Group is adequately insured against key insurable risks and perils;
- 6 Monitoring and Reporting**  
Continuously monitor and report key risk areas to detect and report key incidents and regulatory breaches via appropriate communication and escalation channels; and
- 7 Procurement Governance**  
Instill procurement governance by formulating and driving procurement policy and best practices.

GRC is currently headed by Mr. Richard Ong Aik Jin. Richard is a Fellow Member of the Association of Chartered Certified Accountants with more than 20 years of experience in governance, risk and resilience management, compliance and internal controls. He is responsible for implementing appropriate systems, programmes and initiatives to manage the Group's overall risk exposure and compliance management.

GRC reports functionally to the RMSC, with administrative reporting to the GCFO. The dual reporting line ensures independence and objectivity in the discharge of responsibilities.

## RISK MANAGEMENT & SUSTAINABILITY COMMITTEE REPORT

### THE GROUP SUSTAINABILITY DEPARTMENT

The Group Sustainability department is primarily responsible for integrating fit-for-purpose sustainability into the Group's businesses. Group Sustainability prioritises employee success, planetary health and profit growth, ensuring today's actions create future value and resilience for Sime. In addition, Group Sustainability provides critical support to the RMSC and the Board in fulfilling their respective sustainability obligations.

The strategic framework of Group Sustainability is established to provide comprehensive support and leadership across the Group, Division and operating Unit levels. Its primary objective involves delivering services that enhance operational efficiency, foster collaboration and promote overall organisational success. Key responsibilities include, but are not limited to:

- **Policy Governance**  
Develop, standardise and implement frameworks, policies and guidelines to ensure effective sustainability management.
- **Statutory and Sustainability Compliance and Risk Reporting**  
Identify, assess and evaluate key enterprise sustainability compliance risks, including major business proposals.
- **Strategic Advice on Sustainability**  
Establish strategy and provide support to ensure the Group meets its identified sustainability goals including emissions reduction and net zero commitment.
- **Training and Awareness**  
Facilitate sustainability training and awareness programmes to foster a positive culture throughout Sime.
- **Sustainability Programme Management**  
Apply structured project methodology to capture and report sustainability initiatives across the Group.
- **Monitoring and Reporting**  
Continuously track and report on key sustainability risks and opportunities to meet regulatory requirements and stakeholder requests.
- **Assurance**  
Ensure the accuracy and integrity of sustainability data to meet assurance and regulatory requirements.

Group Sustainability report through to the Group Corporate Services Department (GCSD). GCSD is currently headed by Encik Megat Shahrul Azmir. Encik Megat has over 30 years of expertise in strategy, growth, business turnarounds, development, manufacturing and management consulting. Group Sustainability is currently headed by the Executive Manager for Sustainability, Mr Angus Thompson. Angus holds a Bachelor of Environmental Management (Major Sustainable Development) with 19 years of experience in sustainability management. Additionally, Group Sustainability has a secondary reporting line to the Risk Management and Sustainability Committee (RMSC), enabling it to effectively carry out its duties related to sustainability.

### THE GROUP SAFETY DEPARTMENT

The Group Safety department provides strategic leadership, governance and assurance for Health, Safety, Security and Environment (HSSE) across Sime. Its role is to embed the Group's "No Harm" vision into business operations, ensuring compliance, resilience and continuous improvement in HSSE performance.

Group Safety is strategically structured to ensure that leadership and support are effectively delivered at the Group, division and operating Unit levels. Key areas of focus include:

- **Strategy and Planning**  
Development and ongoing refinement of the Group HSSE Strategy and Balanced Scorecard to align priorities with long-term business goals.
- **Performance Oversight and Analysis**  
Monitoring HSSE performance through leading and lagging indicators, providing insights that inform decision-making, benchmarking and improvement.
- **Governance, Compliance and Assurance**  
Provide oversight of HSSE governance frameworks, including policies, standards and the Group's Layered Assurance Programme. Assure compliance with legal, regulatory and licence requirements and verify the effectiveness of critical risk controls through structured assurance activities.
- **Serious Injury and Fatality (SIF) Prevention**  
Implementation of Critical Risk Management (CRM) and Life Saving Commitments to systematically reduce the risk of high-consequence events.
- **Leadership and Culture**  
Strengthening HSSE leadership capability and visible safety leadership through programmes such as SELF and other learning initiatives that build an engaged and risk-aware culture.
- **Monitoring, Reporting, and Learning**  
Transparent reporting of performance, risks and emerging issues to the GCEO and RMSC, with structured mechanisms for escalation, learning and improvement.

Group Safety is currently headed by Mr. Lee Smith, Group Chief Safety Officer. Lee has over 20 years of experience in senior executive HSSE leadership roles across multiple industries and geographies. He is responsible for leading the Group's HSSE transformation, embedding a risk-based approach, strengthening governance and assurance and enabling safety leadership capability to achieve the Group's "No Harm" vision.

## KEY ACTIVITIES OF FY2025

### Assessment and Advisory

Oversaw the assessment and advisory initiatives, including:

- Group and Divisional risk profiles and compliance attestations in managing the significant enterprise and compliance risks, articulated via quarterly Group Risk reports.
- Recalibration of board risk appetite and tolerance level to ensure alignment with the Group's strategic objectives, growth pursuits and present business environment.
- Project and investment risks pertaining to major business proposals in accordance with the Group's Limits of Authority.
- Establishment of the Climate Change Risk Assessment Guideline and the groupwide implementation plan.
- Implementation of Tier 4 risk assessment which deepens risk management at the operational level.
- Progressive alignment of the key risk assessment framework, policies and procedures for newly acquired entities.

### Training and Awareness

Oversaw the following training and awareness initiatives:

- Implementation of various training and awareness programmes for key risks and compliance topics including climate change risk assessment, cyber risk awareness, Tier 4 risk assessment, code of business conduct, anti-bribery and anti-corruption, conflict of interest and sustainability, among employees across the Group.
- Introduction of the "Our ESG Journey" online learning Module.
- Introduction of the "SELF" safety cultural programme into the Group's Asian operations, while continuing the rollout throughout Australia and New Zealand.

### Policy Governance

Oversaw the following initiatives in policy governance:

- Revision of Group Policies and Authorities (GPA) to address legislative changes and areas of improvement.
- Revision to Procedure on Policy Instrument Management to ensure consistent approach to policy management.
- Introduction of the Group's Net Zero Statement.
- Quantification of Scope 3 emissions and reporting roadmap.

### Resilience Management

Oversaw the following initiatives in resilience management:

- Effectiveness of the Group's Business Continuity Management (BCM) programme via the development and replication of business continuity plan, execution of testing and simulation to strengthen the Group's preparedness and resilience during crisis or disasters.
- Inception of a Directors & Officers Insurance Policy and Cyber Enterprise Insurance Policy, including UMW in the coverage, to ensure adequate protection against potential liabilities.

## RISK MANAGEMENT & SUSTAINABILITY COMMITTEE REPORT

### Compliance Programme

Oversaw the compliance programme, including:

- Execution of Sime's Anti-Corruption Plan.
- Execution of the Group-wide corruption risk assessment exercises.
- Enhancement of Gifts, Hospitality and Donations Procedure.
- Enhancement to Sime's Data Privacy Programme in line with the amendments of the Personal Data Protection (Amendment) Act 2024.
- Assessment of cross-border data transfer risk and mitigation across all key markets.

### Sustainability Programme Management

- Oversaw the reporting of the Group-wide sustainability programme management office for Environment, Social, Governance (PM ESG).

### Statutory Safety and Sustainability Compliance and Risk Reporting

Oversaw the following initiatives under statutory safety and sustainability:

- All significant incidents including reporting and sharing of lessons learnt throughout the Group.
- Implementation of mitigation measures and action plan.

### Monitoring and Reporting

Oversaw the monitoring and reporting of the following:

- Sustainability data to monitor performance against our Sustainability Blueprint.
- Review of Sime's Materiality Assessment.
- Climate-related financial disclosures across the Group.

### Assurance

Oversaw the following assurance initiatives:

- Undertaking of audits on selected sites throughout all divisions and the report of all major non-conformances including mitigating and corrective action.
- Collation of assurance questionnaires.
- Internal assurance and disclosure of ESG metrics and common sustainability matters required by Bursa Malaysia.

### Security

- Monitored global security events for applicability and risk to Group operations.
- Oversaw the actions taken on reported security events.

The action plans for the focus areas for FY2025 as disclosed in the Annual Report 2024 were successfully implemented.

## FOCUS AREAS TO BE UNDERTAKEN IN FY2026

The RMSC will continue to assist the Board in overseeing the implementation of the Group's ERM and Sustainability Framework, including the effective assessment, management, monitoring reporting of emerging risks, ringfencing businesses against non-compliances or regulatory breaches and enhancing sustainability through education and metrics. The intent is to position governance and sustainability as key enablers for Sime's aggressive growth, constantly providing the right "check and balance" mechanism and to build resilience to address global risk trends and enhance sustainability opportunities. The RMSC's key priorities and initiatives for FY2026 include:

### 1 Assessment and Advisory

Oversee the assessment and advisory initiatives, including:

- Progression of the Taskforce on Climate Related Financial Disclosure (TCFD) Framework and the enhancements required to meet International Financial Reporting Standards (IFRS) S1 and S2 reporting based on regional requirements.
- Implementation of the Climate Change Risk Assessment for high exposure sites identified through Hotspot Analysis, addressing physical and transition climate risk mitigation that may impact daily business operations.
- Implementation of board risk appetite and tolerance levels.
- Implementation of Tier 4 risk assessment which deepens risk management at the operational level.
- Country risks assessment across a broad range of thematic risk factors including political, economic, security, bribery, regulatory and corruption risks.

### 2 Training and Awareness

Oversee the following training and awareness initiatives:

- Implementation of various training and awareness events to inculcate awareness on risk management, code of business conduct, conflict of interest and anti-bribery and anti-corruption and sustainability among employees.
- Continuous rollout of the SELF programme.
- Implementation of ESG training for employees.

### 3 Policy Governance

Oversee the following initiatives in policy governance:

- Enhancement of policies and procedures to address key control issues and weaknesses.
- Health and Safety Framework maturity.
- Implementation of the Sustainability Blueprint to include greenhouse gas (GHG) emission methodology for acquisition, mergers and growth.
- Development of a sustainability governance framework to address sustainability governance risk.

### 4 Resilience Management

- Oversee the effectiveness of the Group's Business Continuity Management programme via implementation testing and simulation to strengthen the Group's preparedness and resilience during crisis or disasters.

### 5 Compliance Programme

Oversee the compliance programme, including:

- Execution of Sime Anti-Corruption Plan particularly corruption risk assessments.
- Benchmarking exercises to assess key principals/OEM's with Sime's compliance framework to identify gaps and remediation plans.
- Enhancement of Due Diligence Guideline to address sanction risks from third parties.
- Enhancement of data privacy management and processes to address control gaps identified from the previous data privacy review.
- Execution of FY2026 compliance of National Sustainability Reporting Framework (NSRF).

### 6 Sustainability Programme Management

Oversee the sustainability programme, including:

- Refinement of sustainability metric reporting.
- Review of the sustainability material matters.
- Group's Net Zero commitment and emission reduction strategy.
- Scope 3 reporting and analysis.
- Implementation of the Sustainability Blueprint to ensure 2030 targets are met.
- Enhancement of Sime's Materiality Assessment to Sime determined material climate-related risks and opportunities.

### 7 Procurement Governance

- Oversee the implementation of the Group's Responsible Sourcing Policy by assessing the ESG risk for key vendors representing significant importance on supply chain resilience.

### 8 Statutory Safety and Sustainability Compliance and Risk Reporting

Oversee the following initiatives under statutory safety and sustainability:

- Enhancement of systems to report all significant incidents and capture lessons learnt.
- Mitigation measures and action plans.

### 9 Monitoring and Reporting

Oversee the monitoring and reporting of the following:

- Data reporting for safety and sustainability matters across all operational areas.
- Inclusion of the key acquisition data in monthly reporting in line with integration timeframes.

### 10 Assurance

- Oversee the enhancement of safety and sustainability data to meet assurance requirements through standardisation of reporting.

### 11 Security

- Oversee the continuous monitoring of global security threats.





## INVESTMENT COMMITTEE REPORT

**Dato' Lee Cheow Hock Lawrence**  
Chairman of the Investment Committee



This report highlights the key roles that the Investment Committee (IC) play in helping to shape the strategic direction of Sime, ensuring the organisation remains competitive, whilst navigating changing and complex market dynamics.

### COMPOSITION

The IC, established on 23 February 2023, comprises four (4) members, who are exclusively Non-Executive Directors, with a diverse blend of industry experience and professional skills to enable the IC to provide comprehensive oversight and informed guidance on investment decisions, ensuring alignment with the Group's strategic direction.

Effective 1 July 2025, Encik Mohamad Idros Mosin resigned as Chairman of the IC, and Dato' Lee Cheow Hock Lawrence was appointed as the new Chairman. On the same date, the IC also appointed and welcomed a new member, Puan Hanizan Hood, to the Committee.

### ROLES AND RESPONSIBILITIES

The IC is entrusted by the Board to review and recommend major business proposals including proposed investments, divestments, new partnerships, mergers and acquisitions, while ensuring that all proposals are aligned with the Group's strategic objectives and risk appetite. The Committee also monitors the implementation of the Group's strategic blueprints and oversees post-investment monitoring to safeguard performance and enhance value creation.

In carrying out its responsibilities, the Committee ensures that adequate due diligence and assessments are undertaken, and key associated risks are addressed or mitigated prior to decision-making by the Board.

The authority, duties and responsibilities of the IC are set out in its Terms of Reference (TOR) which is available in the Company's website at <https://www.sime.com/sustainability/governance/>.

## MEETINGS AND ATTENDANCE

The IC held six (6) meetings during the financial year under review, with all meetings convened in compliance with the quorum requirements stipulated in its TOR.

Below are details regarding the composition of the IC and the attendance record of its members for the financial year under review:

| Members                                    |   | Membership/Designation                          | Appointment      | Attendance        |                     |
|--------------------------------------------|---|-------------------------------------------------|------------------|-------------------|---------------------|
|                                            |   |                                                 |                  | Scheduled Meeting | Unscheduled Meeting |
| Dato' Lee Cheow Hock Lawrence <sup>^</sup> | ▶ | Chairman/Non-Independent Non-Executive Director | 23 February 2023 | 4/5               | 1/1                 |
| Dato' Dr Nirmala Menon                     | ▶ | Member/Independent Non-Executive Director       | 23 February 2023 | 5/5               | 1/1                 |
| Scott William Cameron                      | ▶ | Member/Independent Non-Executive Director       | 23 February 2023 | 5/5               | 1/1                 |
| Hanizan Hood <sup>#</sup>                  | ▶ | Member/Non-Independent Non-Executive Director   | 1 July 2025      | Not applicable    | Not applicable      |
| Mohamad Idros Mosin <sup>®</sup>           | ▶ | Chairman/Non-Independent Non-Executive Director | 23 February 2023 | 4/5               | 1/1                 |

### Notes:

<sup>^</sup> Redesignated from a member to Chairman with effect from 1 July 2025

<sup>®</sup> Resigned as Chairman with effect from 1 July 2025

<sup>#</sup> Appointed as a member with effect from 1 July 2025

Agenda items and all associated papers were distributed to IC members in advance of the meetings to ensure appropriate pre-reading time and digestion of items to be discussed and deliberated during the meetings. In addition to formal papers, IC members are often given additional reading which may be in the form of industry reports, topical media articles or other relevant material to aid discussion and highlight key issues impacting Sime's markets and business environment. It is critical that the IC are kept fully informed of these market changes to ensure the appropriate considerations and context can be given to business decisions.

## KEY ACTIVITIES IN FY2025

The IC continued to play a central role in ensuring disciplined capital allocation, portfolio optimisation and alignment with the Group's 5-year Strategy Blueprint. Amid evolving market dynamics in China, the IC focused on strengthening resilience, adapting strategies to intensified competition and supporting growth across adjacencies and new opportunities. During the financial year under review, the IC carried out the following key activities in line with its TOR:

- Assessed and recommended targeted acquisitions to strengthen adjacencies in rental and services.
- Recommended divestments of some non-core assets to sharpen focus on core businesses.
- Deliberated extensively on strategies to navigate evolving market dynamics in China and address competitive pressures.
- Undertaken significant discussions on refining Motors' strategy in response to new OEM entries and industry shifts.
- Oversaw business responses to evolving market dynamics across Asia Pacific.
- Reviewed partnership initiatives with principals and OEMs to enhance alignment.

- Evaluated opportunities and strategies, including digital transformation, to strengthen the Group's portfolio and support sustainable growth.
- Continued oversight and debate on market dynamics shaping our operating environment across Asia Pacific.
- Monitored various business initiatives towards meeting the Group's ROE and ROIC targets.
- Oversaw the UMW post-acquisition activities.

## FOCUS AREAS FOR FY2026

Looking ahead, the IC will continue to focus on optimising the Group's performance and portfolio priorities while steering the Group through evolving market conditions and capturing opportunities for long-term growth.

Priorities include:

- Optimising business performance and monitoring progress on strategic initiatives.
- Reviewing underperforming entities to define clear pathways for improvement or divestment.
- Continuing to manage the challenging market dynamics in China and approving strategies for the Group's business response.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board is pleased to provide this Statement on Risk Management and Internal Control (Statement) which outlines the nature of risk management and internal controls within Sime for the year under review.

Risk management and internal controls are integrated into management processes and embedded in the business activities of the Group.

## RESPONSIBILITIES AND ACCOUNTABILITIES

### A The Board

The Group is led by the Board. The Board has delegated the governance and risk management responsibilities to Board Committees which ensure independent oversight of internal controls and risk management.

Notwithstanding the delegated responsibilities, the Board takes overall responsibility in the establishment and oversight of the Group's risk management framework and internal controls systems. The Board is cognisant of its role in setting the tone and in nurturing a culture towards managing key risks to achieve the Group's business objectives. The Board also recognises that internal controls systems are designed to manage and minimise rather than eliminate and avoid occurrences of material misstatements or unforeseeable circumstances, fraud or losses.

#### • Governance & Audit Committee (GAC)

The key responsibility of the GAC is to assist the Board in fulfilling the Board's statutory and fiduciary responsibilities of monitoring the Group's management of financial risk processes, accounting and financial reporting practices.

The GAC is also tasked to review the processes and quality of the Group's accounting function, financial reporting and the internal controls system.

In discharging its duties, the GAC is assisted by the Group Corporate Assurance (GCA) department.

 For further details on the TOR and the activities of the GAC, please refer to pages 122 to 126 of this report.

#### • Risk Management & Sustainability Committee (RMSC):

The RMSC assists the Board by:

- Setting and overseeing the implementation of risk management and sustainability frameworks, policies and procedures to identify and manage risks across the Group's business operations;
- Overseeing the formulation and implementation of policies and programmes to address the Group's key compliance risk areas;
- Evaluating and advising the Board on significant strategic activities and policies regarding sustainability practices and initiatives; and
- Overseeing responsibilities in relation to the Group's sustainability strategy and initiatives comprising of economic, environmental and social matters.

The RMSC is also entrusted to set the tone and culture towards effective risk management controls and sustainability strategies within the Group.

In discharging its responsibilities, the RMSC is assisted by the Group Risk & Compliance (GRC) department.

 For further details on the activities of the RMSC, please refer to pages 127 to 133 of this report.

### B The Management

The Management is accountable to the Board in ensuring the effective implementation of approved frameworks, policies and procedures related to risk management and internal controls. The Management is also responsible for continuously monitoring the residual risks that may impede the Group's goals and objectives.

The Management also provides assurance to the Board that the risk management and internal controls systems are adequate and are operating effectively based on the risk management framework adopted by the Group.

The Management's responsibilities include but is not limited to:

- ▶ Implementing relevant policies and processes to identify, evaluate, monitor and report risks and internal controls;
- ▶ Ensuring appropriate and timely corrective actions are taken to strengthen internal controls and to minimise occurrences of non-compliances;
- ▶ Assuring the Board that adequate mitigative actions have been promptly and properly carried out to address any lapses;
- ▶ Setting the right example (in words and actions) to encourage and reinforce the importance of ethical business conduct;
- ▶ Applying all required rules and regulations; and
- ▶ Seeking guidance from the Board on matters concerning risks and internal controls when required.

### C Group Corporate Assurance (GCA)

GCA, which is an integral part of the Group's internal controls system, reports directly to the GAC.

GCA's primary role is to provide independent, reasonable and objective assurance in addition to business advisory reviews designed to add value and improve efficiency of the Group's operations.

In supporting the Group to achieve its objectives, GCA employs a systematic and disciplined approach to evaluate and recommend improvements for the effectiveness of risk management, internal controls and governance processes.

GCA employs a risk-based approach to internal auditing, ensuring the annual audit plan focuses on the Group's principal risks and critical areas aligned with its strategic objectives. The plan is developed using input from a variety of sources, including business strategies and objectives, the materiality and criticality of operations, the maturity of internal controls in auditable areas and feedback from stakeholders. The audit plan is reviewed and approved by the GAC.

GCA actively monitors and responds to adverse indicators and key risks. Adjustments are made to the audit coverage as required, including scope extensions and/or undertaking special reviews with amendments to the audit plan. These are reported to the GAC periodically.

GCA's audit practices conform to the International Professional Practices Framework (IPPF) published by the US Institute of Internal Auditors Inc.

 For further details on GCA's mandate and activities, please refer to page 126 of this report.

### D Group Risk & Compliance (GRC)

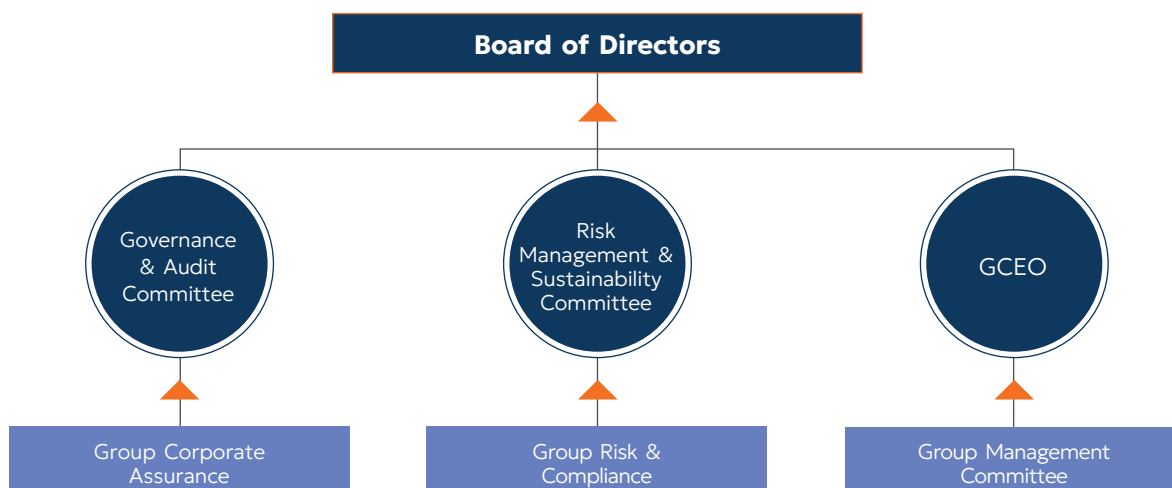
GRC assists the Board, RMSC and GAC in discharging their risk management and compliance responsibilities. GRC is structured to provide adequate support to both GHO and the Divisions with regards to the management of risk and compliance.

GRC's main role is to coordinate compliance and risk management activities such as programmes or activities to identify, mitigate and educate employees about the risk of non-compliance and to provide reasonable assurance that the Group's operations and activities are conducted in line with the key regulatory requirements. This role is executed via oversight, coordination, consultation, validation and monitoring of the Group's state of compliance.

GRC also sets the strategic plan to guide the priorities and direction of the Group's risk management and compliance activities.

 For further details on GRC's mandate and activities, please refer to page 126 of this report.

## REPORTING STRUCTURE – ASSURANCE, RISK & COMPLIANCE



**Note:**

<sup>1</sup> Group Risk & Compliance reports to the GAC on matters related to Sime's Group Policies & Authorities (GPA), Group Procurement Policies & Authorities (GPPA) and Code of Business Conduct (COBC).

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### RISK MANAGEMENT AND INTERNAL CONTROLS FRAMEWORK

The Group's ERM Framework is integrated and where appropriate, embedded into the day-to-day business activities and management decision-making.

Designed and adapted as reasonably practicable from the ISO 31000:2018 Risk Management Guidelines, the Framework is aimed at establishing a robust risk management process across the Group and to ensure that all business risks are prudently identified, analysed and effectively managed.

Supporting this broader risk management framework is a system that facilitates internal controls design and operating effectiveness to manage key risks.

Key aspects of the Group's overall risk management and internal controls system are selectively outlined below, where they provide assurance that the Framework is adequate and effective for the purposes of this Statement.

### Mandate and Commitment

The Board has approved an ERM Framework which encapsulates the governance arrangements as well as assigns responsibility to relevant levels of management and operations.

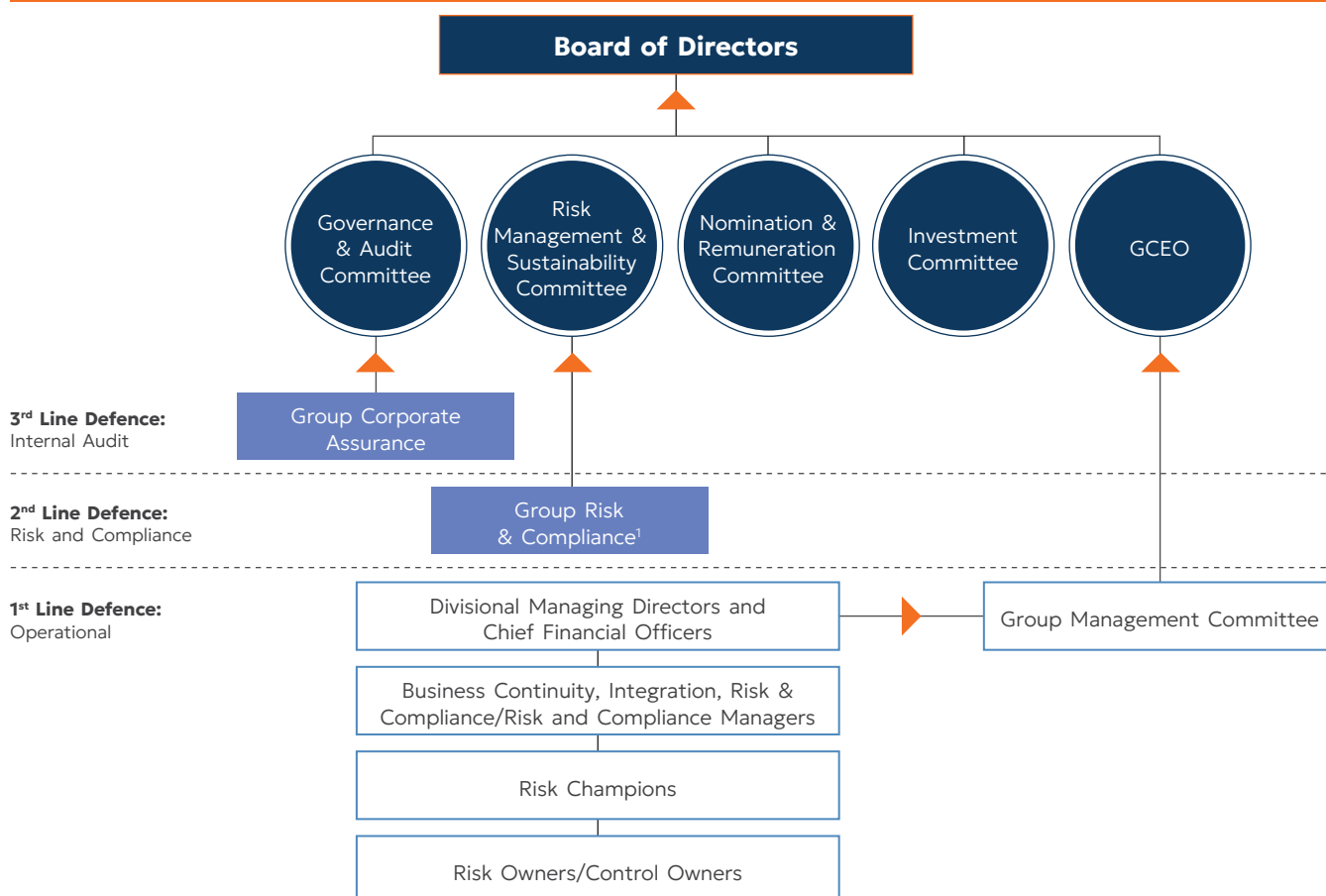
The implementation of the Framework is ultimately the responsibility of the GCEO and members of the Sime Group Management Committee.

Evidence of implementation can be seen in the appropriate risk management practices integrated into the relevant business processes.

These practices which assist in decision-making aimed at achieving the Group's objectives are supplemented by a more formal and explicit risk management process.

The diagram below provides an overview of the governance structure:

### OVERVIEW OF THE GROUP'S GOVERNANCE STRUCTURE



### Note:

<sup>1</sup> Group Risk & Compliance reports to the GAC on matters related to Sime's Group Policies & Authorities (GPA), Group Procurement Policies & Authorities (GPPA) and Code of Business Conduct (COBC).

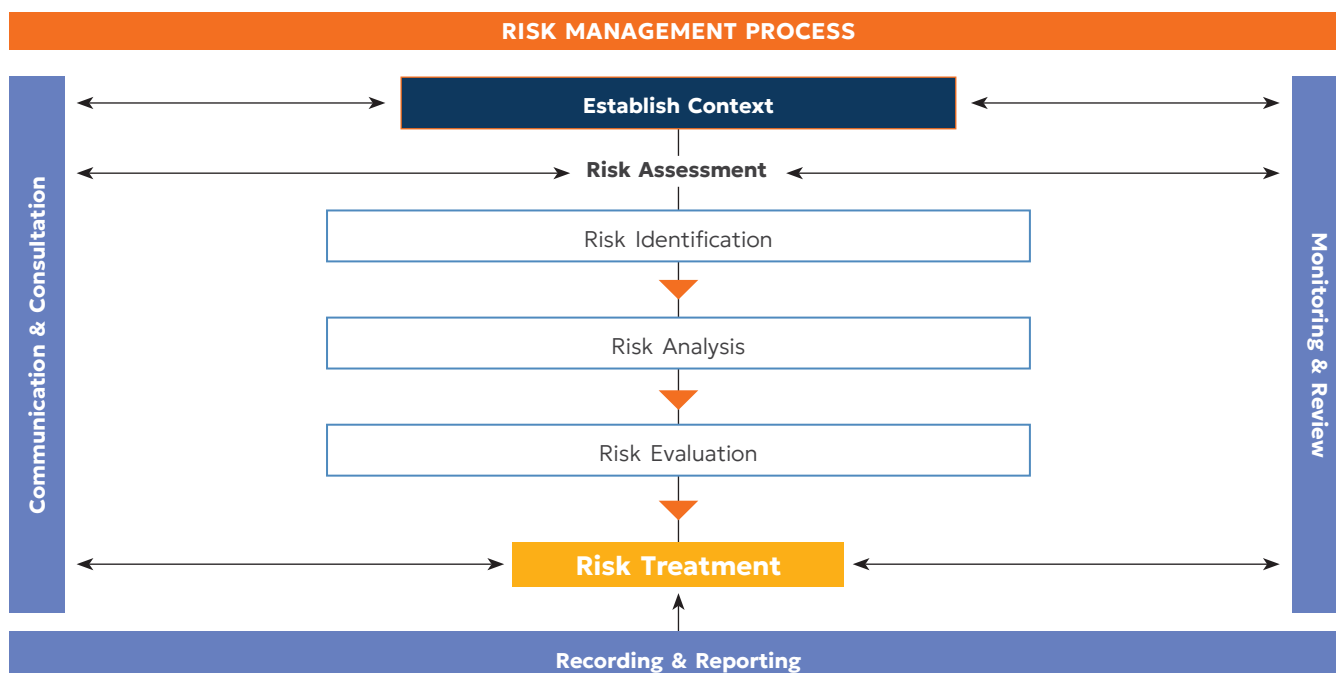
## INTEGRATION OF RISK MANAGEMENT AND INTERNAL CONTROLS

The Group's ERM Framework is embedded across the broader management framework wherever feasible, integrating risk assessment into key operational activities and decision-making processes (see table below). Assessments follow a structured process aligned with ISO 31000 and globally recognised risk management practices, ensuring consistency and rigour across the Group.

### Risk Assessment Activities

| Level/Context                                   | Assessment                                                                                                                                               | Management Involvement                                                                                                                                                                                                                                                                       | Frequency   |
|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Strategic Level                                 | <ul style="list-style-type: none"> <li>Board Risk Appetite Statement.</li> </ul>                                                                         | <ul style="list-style-type: none"> <li>Setting the Group's risk strategy, appetite, tolerance, limits and thresholds, and reviewing them to ensure alignment with strategic objectives.</li> </ul>                                                                                           | Biennially  |
| Enterprise-wide Level                           | <ul style="list-style-type: none"> <li>Quarterly risk profile submission and reporting.</li> <li>Review adherence to the Board Risk Appetite.</li> </ul> | <ul style="list-style-type: none"> <li>Reviewing and updating risks to ensure the risk profile remains current, reflecting changes in rating, effectiveness of controls and progress of action plans.</li> <li>Tracking and monitoring risks against the Risk Appetite Statement.</li> </ul> | Quarterly   |
| Operational Level                               | <ul style="list-style-type: none"> <li>Half-yearly risk profile submission and reporting.</li> </ul>                                                     | <ul style="list-style-type: none"> <li>Reviewing and updating risks to ensure the operational risk profile remains current, reflecting changes in rating, effectiveness of controls and progress of action plans.</li> </ul>                                                                 | Bi-annually |
| Major Proposals/<br>Investments/<br>Divestments | <ul style="list-style-type: none"> <li>Strategic risk assessment on proposals/investment/divestment.</li> </ul>                                          | <ul style="list-style-type: none"> <li>Assessment of key risk exposures and controls to enable informed decisions.</li> </ul>                                                                                                                                                                | As required |

As illustrated, risks are managed across all levels of the Group. Strategic-level reviews, conducted biennially, set the Group's risk appetite and ensure alignment with strategic objectives. Enterprise-wide and operational reviews maintain current risk profiles, monitor controls and track progress of action plans. Targeted assessments of major proposals, investments and tenders support informed decision-making. Collectively, these activities identify new risks, reassess existing ones and guide adjustments to strategy and risk considerations as conditions evolve.



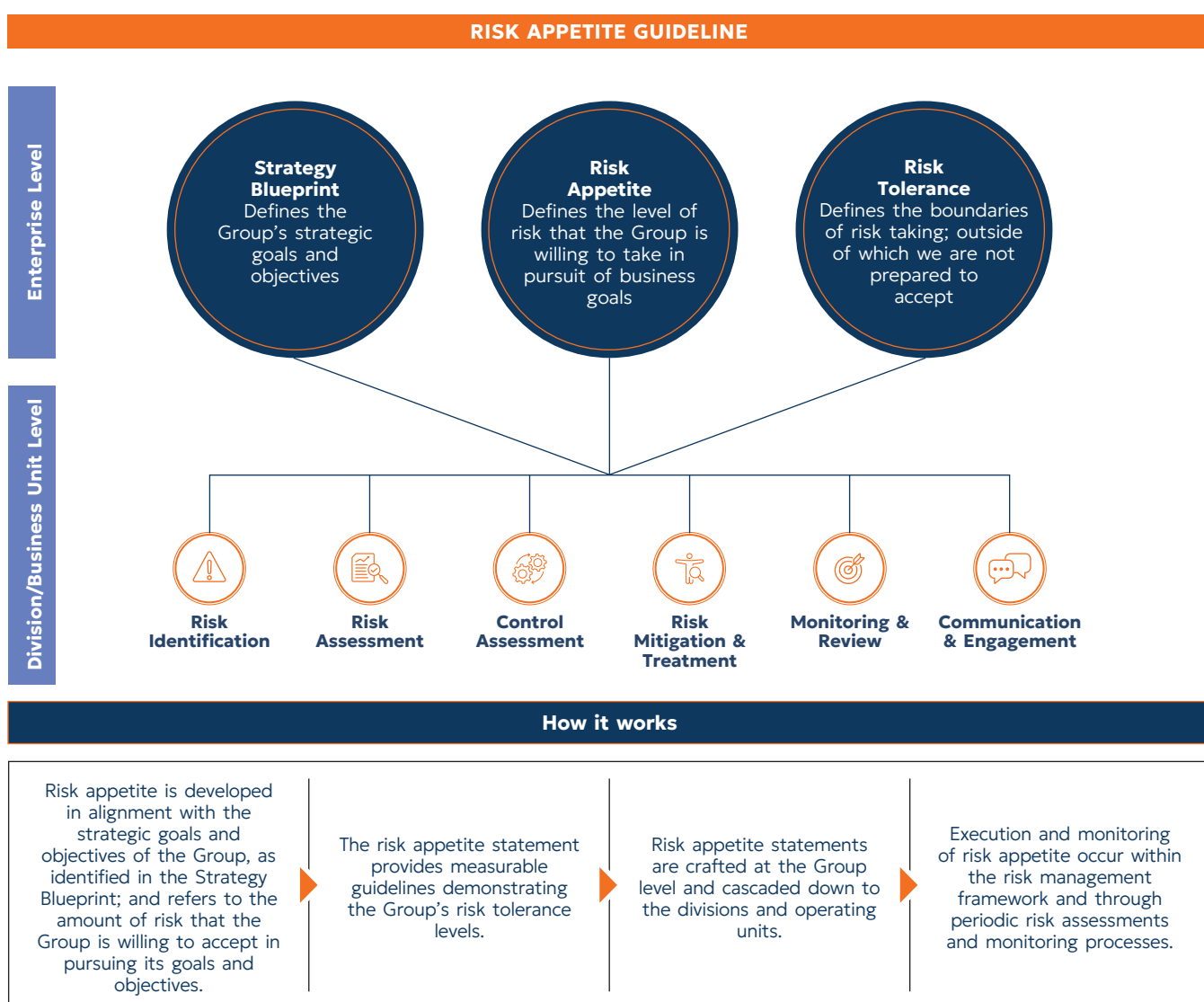


## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### RISK APPETITE

Risk appetite refers to the amount of risk an organisation is prepared to accept in pursuit of its strategic objectives. The Board, via the RMSC, determines the Group's risk appetite and tolerance, and ensures that it is communicated appropriately across the Group. The Group's risk appetite is documented and formalised through a risk appetite statement which articulates the Group's risk strategy. The risk appetite statement was developed by GRC in consultation with the RMSC and the Group Management Committee, approved by the Board and is reviewed biennially to ensure its continued relevance and alignment with the Group's strategic objectives.

GRC has also established a risk appetite guideline on the formulation and implementation of the Group's risk appetite statement. This is shown in the following diagram:



Breaches of risk tolerance limits will be reported to the RMSC to facilitate necessary review of the effectiveness of both internal controls and mitigation actions; or a need to recalibrate the appetite or limits if they no longer reflect the Group's actual risk appetite.

 For more details on the Group's risk appetite statement, please refer to the Enterprise Risk Management section on page 44 of this report.

## CONTROL ENVIRONMENT

### Group Policies and Authorities (GPAs)

The Board has put in place the GPAs which act as a key pillar of the Group's governance framework. It is a tool the Board uses to formally delegate functions and powers to the Management with specific oversight and supervisory functions. This enables the Board to facilitate a robust yet controlled environment encircling clear lines of responsibilities, accountability and authority limits that are aligned with the Group's business operations. As the GPAs cover a wide range of areas, they also act as an ethical road map for the Group's diverse businesses to navigate the intricacies of global business practices and cultures. The GPAs are reviewed annually whereby any new GPAs and/or enhancement to the current GPAs are approved by the Board prior to implementation. The Divisions develop further delegated authorities, with supporting policies and procedures based on the mandate and guidance provided by the GPAs. The GPAs also embeds Environmental, Social and Governance (ESG) material matters in line with Sime's Sustainability Blueprint.

### Code of Business Conduct (COBC)

The Group's core values set out the expected behaviours for Directors and employees of the Group in creating a culture of ethical work environment. These values have been reflected in the Group's Business Principles and the COBC.

A Compliance e-learning and declaration programme is in place to confirm that employees, including Directors via the declaration process, have read and agreed to comply with the provisions of the COBC.

### Integrity, Anti-Bribery and Anti-Corruption

The Group implemented an Anti-Bribery and Anti-Corruption framework and various efforts have progressed since 2018.

The Group also has in place an Anti-Bribery and Anti-Corruption Policy as well as a Sime Anti-Corruption Plan (SACP) that covers 11 key areas guided by the requirements of the Adequate Procedure T.R.U.S.T Guidelines serving as a defense against corporate liability under Section 17A of the MACC Act.

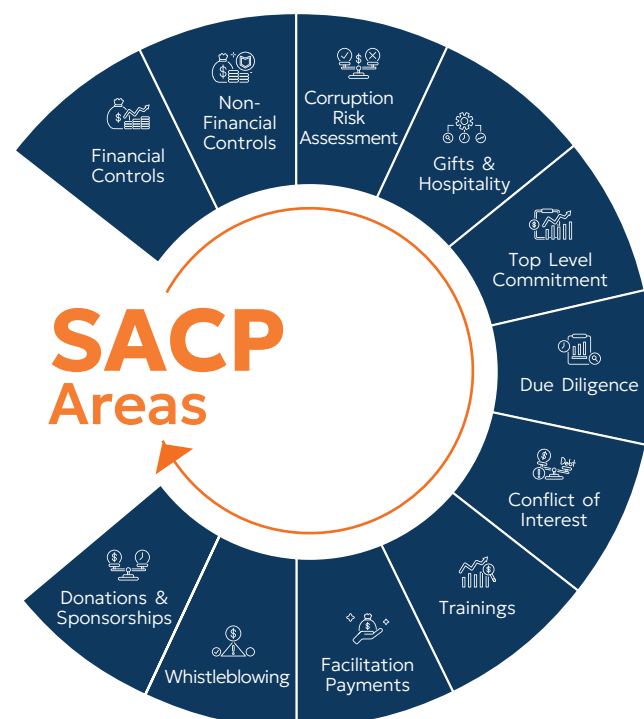
The Group developed and implemented 'yourTrust' to automate the gifts, hospitality and donations registration process for all employees who give and receive any gifts, hospitality and donations from external parties. This application is made available on mobile and web to provide convenience to employees.

GRC had formalised the appointment of Divisional BCIRC/R&C Managers to assist GRC in risk and compliance matters including increasing the efficiency for the ongoing implementation and monitoring of compliance obligations throughout the Group's operations.

In demonstrating top level commitment, an Anti-Bribery and Anti-Corruption Steering Committee (ABC Steering Committee) was established on 1 July 2020 chaired by the GCFO with members including the Group Secretary, Group Head – GRC and Division Managing Directors. BCIRCs and R&C Managers are now also invited. ABC Steering Committee meetings have convened since the establishment to share updates on the progress of continuous efforts for improvement of the Group's SACP.

In FY2022, the Group had engaged with an external consultant to perform validation of the Group's SACP to determine the adequacy of internal controls. The validation focuses on documentation reviews and implementation efforts by the Group. In FY2023, it was independently validated that the Group's SACP is adequate and is of low risk with an adequate anti-bribery and anti-corruption system in place.

Following the outcome of the validation exercise, GRC has continued to improve the Group's SACP.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

One of the key areas under the T.R.U.S.T Guideline is on Conflict of Interest (COI). In line with the recent amendments by Bursa Malaysia Securities Berhad Main Market Listing Requirements on the COI declaration for Directors and Key Senior Management, the Group has developed COI Guidelines. These Guidelines were also validated by international lawyers to ensure compliance with regulations in countries that the Group has footprints. Alongside these Guidelines, a COI Guidelines execution process was developed to ensure compliance with Bursa's requirements.

 For further details on all other SACP activities, please refer to the RMSC Report on pages 127 to 133.

### Whistleblowing

The Group's Whistleblowing Charter & Framework (WCF) was enhanced to primarily be referenced to ISO 37002 with the objective to improve and promote an effective whistleblowing system. The WCF provides a structured process in managing whistleblowing cases. These enhancements are made to ensure that confidentiality is preserved at all times, protection to the whistleblower is afforded at organisational level and investigations are conducted transparently and impartially without compromising the standards of an effective whistleblowing management system.

A more elaborated set of procedures are specified in the WCF and the policy on whistleblowing as set out in the GPA are available on the Group's internal portal, Sime Hub.

The Group's whistleblowing mechanism and channels are managed by GRC, reporting directly to the Senior Independent Director to provide independence from Management. This is articulated in the WCF (as stated in the GPA), where whistleblowing can be reported either through emails, letters, calls, instant text messages or e-form via the Sime official website.

A summary of all cases including trends and analysis are presented to the Board for notation twice a year.

### Group Procurement Policies and Authorities (GPPA)

The GPPA covers all types of purchases (capital expenditure, operating expenditure and trade) across the countries in which the Group operates. The GPPA states the key principles and procedures required in the procurement of goods and services within the Group. These key principles and procedures serve as guidelines in establishing the detailed procurement procedures at all divisions.

### Vendor Code of Business Conduct (VCOBC)

Vendors are expected to adhere to standards of behaviour aligned to promote a fair, honest and ethical business environment. The Group's VCOBC provides a guide on these standards of behaviour when dealing with or on behalf of the Group.

### Vendor Letter of Declaration (VLOD)

The VLOD was introduced as one of the Group's initiatives to align the Group's expectations with the behaviours of our suppliers and the principles contained in the VCOBC. The VLOD captures vendors' formal affirmation to comply with the principles of the VCOBC, to refrain from involvement with any offence of bribery, corruption or fraud; and to refrain from engaging in bribery, corruption or fraud with the Group.

### Regulatory Compliance Monitoring

The Group's state of compliance with key regulatory requirements is continuously monitored to manage potential breaches and to detect incidents which may have a material effect on this Statement.

### Enterprise Risk Management Framework

The Group has a formal enterprise risk management framework that has been approved by the RMSC. The framework encompasses supporting policies, standards and guidelines to guide risk assessment, evaluation and monitoring processes. Wherever appropriate, risk management practices are integrated into operating policies, procedures and guidelines.

### Business Continuity

The Group has established a formal business continuity management (BCM) framework that describes the business continuity standard and guidelines. The Management is responsible to ensure that the Group is able to respond to and recover from significant unexpected events.

The work on BCM is an ongoing initiative to facilitate the development of robust policy, frameworks and plans to protect the interests of all stakeholders.

### Financial Budgets

The Group's divisions prepare budgets on an annual basis.

The budgets are reviewed by Management prior to submission to the Board for approval. The Group Management Committee reviews the division's financial performance (actual against budget) and forecasts for the financial year on a regular basis. Additionally, the financial performance of the Group is reported to the Board on a quarterly basis.

## COMMUNICATION AND REPORTING

### Reporting to Shareholders/Stakeholders

External stakeholder relations and communication are given high priority in view of the types of risks faced by the Group.

As a multinational company headquartered in Malaysia, an effective external communications strategy is essential to protect the Group's reputation.

The Group has established processes and procedures to ensure that quarterly and annual audited financial statements which cover the Group's performance, are submitted to Bursa Securities for release to shareholders and other stakeholders on a timely basis.

All quarterly financial results are reviewed and approved by the Board prior to announcement.

The Group's annual reports which contain the annual audited financial statements, together with the auditors' and Directors' reports are issued to the Group's shareholders within the stipulated time prescribed under the MMLR of Bursa Securities.

### MATERIAL JOINT VENTURE AND ASSOCIATES

The disclosures in this Statement do not include the risk management and internal controls practices of the Group's material joint ventures and associates. The Group's interests in these entities are safeguarded through the appointment of members of the Group Management Committee to the respective joint venture and associate boards and in certain cases, the Management or operational committees of these entities.

## REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide (AAPG) 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal controls systems of the Group.

## CONCLUSION

For the financial year under review and up to the date of approval of this Statement, the Board is satisfied with the adequacy and effectiveness of the Group's system of risk management and internal controls to safeguard shareholders' investments and the Group's assets. The Board has received reasonable assurance from the GCEO and the GCFO that the Group's risk management and internal controls system, in all material aspects, are operating adequately and effectively.

This Statement is prepared in accordance with the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers (Guidelines) issued on 31 December 2012, which is in line with the requirements of Paragraph 15.26 (b) of the MMLR of Bursa Securities and Principle B of the MCGG 2021 issued by Securities Commission Malaysia.

This Statement is made in accordance with a resolution of the Board dated 25 September 2025.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

On 11 December 2023, Sime Darby Enterprise Sdn Bhd (SDESB), a wholly-owned subsidiary of Sime had established an unrated Islamic commercial papers and Islamic medium term notes programme based on the Shariah principle of Murabahah (via Tawarruq arrangement) for the issuance of Sukuk Murabahah of up to RM10.0 billion in nominal value (Sukuk Murabahah Programme) guaranteed by Sime. In December 2023, SDESB issued Tranche 1 of the unrated Islamic Medium Term Notes (Sukuk Murabahah) at an issue size of RM3.0 billion in nominal value under the Sukuk Murabahah Programme to part finance the acquisition of UMW Holdings Berhad. This has been fully repaid by the financial year ended 30 June 2025.

On 11 December 2024, Tranches 2, 3 and 4 of the Sukuk Murabahah at a combined issue size of RM1.3 billion in nominal value were issued. On 13 December 2024, Tranche 5 of the Sukuk Murabahah at an issue size of RM200 million in nominal value was issued.

| Issuance Date    | Outstanding Nominal Value as at 30 June 2025 (RM million) | Maturity Date    | Proceeds Utilisation                                                                                                                                                                                               |
|------------------|-----------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11 December 2024 |                                                           |                  |                                                                                                                                                                                                                    |
| • Tranche 2      | 150                                                       | 11 December 2025 | To refinance the outstanding Sukuk Murabahah which matured on 11 December 2024.                                                                                                                                    |
| • Tranche 3      | 350                                                       | 10 December 2027 |                                                                                                                                                                                                                    |
| • Tranche 4      | 800                                                       | 11 December 2030 |                                                                                                                                                                                                                    |
| 13 December 2024 |                                                           |                  |                                                                                                                                                                                                                    |
| • Tranche 5      | 200                                                       | 11 December 2030 | For Shariah compliant purposes of Sime Group:<br>a) working capital requirements;<br>b) to finance investments/acquisitions;<br>c) funding capital expenditure; and/or<br>d) any other general corporate purposes. |

## 2. AUDIT AND NON-AUDIT FEES

Total fees paid or payable to PricewaterhouseCoopers PLT and member firms of PricewaterhouseCoopers International Limited, the auditors of the Company and Group, for work performed during the financial year are as follows:

|                                                                                               | Group (RM million) | Company (RM million) |
|-----------------------------------------------------------------------------------------------|--------------------|----------------------|
| <b>Fees for statutory audits</b>                                                              |                    |                      |
| – PricewaterhouseCoopers PLT and member firms of PricewaterhouseCoopers International Limited | 25                 | 1                    |
| – Other audit firms                                                                           | 1                  | –                    |
|                                                                                               | <b>26</b>          | <b>1</b>             |
| <b>Fees for non-audit services (including assurance related services)</b>                     |                    |                      |
| – PricewaterhouseCoopers PLT and member firms of PricewaterhouseCoopers International Limited | 3                  | – <sup>1</sup>       |

Note: –<sup>1</sup> less than RM1 million

## 3. MATERIAL CONTRACTS INVOLVING INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

There were no material contracts entered into by the Company and/or its subsidiaries involving interests of Directors and major shareholders during the financial year.

#### 4. CONTRACTS RELATING TO LOANS

There were no contracts relating to loans by the Company and/or its subsidiaries involving interests of Directors and major shareholders during the financial year.

#### 5. RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING NATURE

At the Eighteenth Annual General Meeting (AGM) held on 14 November 2024, the Company obtained a general mandate from its shareholders for recurrent related party transactions of a revenue or trading nature, to be entered into by the Company and/or its subsidiaries set out in the Circular to Shareholders dated 16 October 2024 (Mandate). The Mandate is valid until the conclusion of the forthcoming Nineteenth AGM of the Company to be held on 13 November 2025.

Pursuant to Paragraph 10.09(2)(b) and Paragraph 3.1.5 of Practice Note 12 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, details of the recurrent related party transactions of a revenue or trading nature entered into during the financial year ended 30 June 2025 were as follows:

| Name of Related Party          | Transacting Company in Sime Group   | Relationship                                                                                                                                                                                                                                                                             | Nature of Transactions                                                                                                                                                                                                                                                                                                                                                                   | Value of Transaction (RM million) |
|--------------------------------|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| Bermaz Auto Berhad (Bermaz)    | Inokom Corporation Sdn Bhd (Inokom) | Bermaz is a major shareholder of Inokom, holding 29.00% direct equity interest in Inokom and an indirect major shareholder of Mazda Malaysia Sdn Bhd (Mazda Malaysia), holding an effective interest of 30.00% through Bermaz Motor Sdn Bhd, a direct wholly-owned subsidiary of Bermaz. | <ul style="list-style-type: none"> <li>Rental income from Mazda Malaysia</li> <li>Contract manufacturing assembly fee from Mazda Malaysia</li> </ul>                                                                                                                                                                                                                                     | 89                                |
|                                |                                     | Bermaz Motor Trading Sdn Bhd (Bermaz Motor Trading) is an indirect wholly-owned subsidiary of Bermaz.                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>Rental income from Bermaz Motor Trading</li> </ul>                                                                                                                                                                                                                                                                                                | 2                                 |
|                                |                                     | Bermaz is a major shareholder of Kia Malaysia Sdn Bhd (Kia Malaysia), holding 33.33% direct equity interest in Kia Malaysia.                                                                                                                                                             | <ul style="list-style-type: none"> <li>Contract manufacturing assembly fees from Kia Malaysia</li> <li>Rental income from Kia Malaysia</li> </ul>                                                                                                                                                                                                                                        | 18                                |
|                                |                                     | Dinamikjaya Motors Sdn Bhd (Dinamikjaya Motors) is a 65.00% owned subsidiary of Bermaz.                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Rental income from Dinamikjaya Motors</li> </ul>                                                                                                                                                                                                                                                                                                  | 1                                 |
| Toyota Motor Corporation (TMC) | UMW Toyota Motor Sdn Bhd (UMWT)     | TMC is a major shareholder of UMWT, holding 39.00% direct equity interest in UMWT and indirect interest in UMWT through Toyota Tsusho Corporation (TTC), (a company which TMC has 21.69% direct equity interest) by virtue of TTC's 10.00% equity interest in UMWT.                      | <ul style="list-style-type: none"> <li>Payment for spare parts, vehicles, accessories, royalty and local sourced parts to TMC</li> <li>Payment of exhaust emission certification fee to TMC</li> <li>Payment of training, accommodation and transportation costs to TMC</li> <li>Payment of system maintenance fee to TMC</li> <li>Purchase of advertising materials from TMC</li> </ul> | 128                               |



## ADDITIONAL COMPLIANCE INFORMATION

| Name of Related Party | Transacting Company in Sime Group | Relationship                                                                                                                                                                                                                                                                                                       | Nature of Transactions                                                                                                                                                                                                                                                                         | Value of Transaction (RM million) |
|-----------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
|                       |                                   | Daihatsu Perodua Engine Manufacturing Sdn Bhd (DPEM) is an indirect 51.00% owned subsidiary of TMC, held through Daihatsu Motor Co Ltd, Japan (DMC), a wholly-owned subsidiary of TMC.                                                                                                                             | <ul style="list-style-type: none"> <li>Sale of vehicles parts to DPEM</li> </ul>                                                                                                                                                                                                               | *                                 |
|                       |                                   | DMC is a wholly-owned subsidiary of TMC.                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>Payment of spare parts, vehicles and accessories royalty to DMC</li> </ul>                                                                                                                                                                              | 47                                |
|                       |                                   | TMC is an indirect major shareholder of Perodua Manufacturing Sdn Bhd (PMSB), with an effective interest of 30.71% through DMC. DMC holds 20.00% in Perusahaan Otomobil Kedua Sdn Bhd (Perodua) and 41.00% in Perodua Auto Corporation Sdn Bhd (PCSB), which directly own 49.00% and 51.00% of PMSB, respectively. | <ul style="list-style-type: none"> <li>Sale of vehicles to PMSB</li> <li>Purchase of local spare parts from PMSB</li> <li>Purchase of assembled vehicles from PMSB</li> <li>Electricity expenses paid to PMSB</li> </ul>                                                                       | 511                               |
|                       |                                   | TMC is an indirect major shareholder of JTEKT Automotive (Malaysia) Sdn Bhd (JAMSB), holding an effective interest of 20.25% through JTEKT Corporation, Japan (JTEKT Corp), a company in which TMC has 22.50% direct equity interest.                                                                              | <ul style="list-style-type: none"> <li>Sale of vehicles parts to JAMSB</li> <li>Purchase of local spare parts from JAMSB</li> <li>Purchase of local parts from JAMSB</li> </ul>                                                                                                                | 76                                |
|                       |                                   | Toyota Auto Body (Malaysia) Sdn Bhd (TABM) is an indirect wholly-owned subsidiary of TMC, held through Toyota Auto Body Co Ltd, Japan (TABC), a wholly-owned subsidiary of TMC.                                                                                                                                    | <ul style="list-style-type: none"> <li>Sale of vehicle components to TABM</li> <li>Purchase of local spare parts from TABM</li> </ul>                                                                                                                                                          | 48                                |
|                       |                                   | Toyota Capital Malaysia Sdn Bhd (TCAP) is an indirect 70.00% owned subsidiary of TMC, held through Toyota Financial Services Corporation, Japan (TFS), a wholly-owned subsidiary of TMC                                                                                                                            | <ul style="list-style-type: none"> <li>Sale of vehicles to TCAP</li> <li>Sale of spare parts to TCAP</li> </ul>                                                                                                                                                                                | 3                                 |
|                       |                                   | Toyota Motor Asia (Thailand) Co Ltd (TMAT) is a wholly-owned subsidiary of TMC.                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>Sale of spare parts to TMAT</li> <li>Payment of royalty on accessories to TMAT</li> <li>Payment of technical fees to TMAT</li> <li>Payment of labour cost sharing to TMAT</li> <li>Project development cost – parts design charges from TMAT</li> </ul> | 33                                |

| Name of<br>Related Party | Transacting<br>Company in<br>Sime Group | Relationship                                                                                                                                                                                                                                             | Nature of Transactions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Value of<br>Transaction<br>(RM million) |
|--------------------------|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
|                          |                                         | Toyota Motor Asia (Singapore) Pte Ltd (TMAS) is a wholly-owned subsidiary of TMC.                                                                                                                                                                        | <ul style="list-style-type: none"> <li>• Sale of parts and components to TMAS</li> <li>• Sale of accessories parts to TMAS</li> <li>• Payment of accessories warranty to TMAS</li> <li>• Payment of system maintenance fee to TMAS</li> <li>• Payment of vehicles software to TMAS</li> <li>• Purchase of completely knocked down (CKD) vehicle components from TMAS</li> <li>• Purchase of vehicle spare parts from TMAS</li> <li>• Purchase of vehicle accessories from TMAS</li> <li>• Purchase of completely built up (CBU) vehicles from TMAS</li> <li>• Payment of training, accommodation and transport cost to TMAS</li> </ul> | 4,203                                   |
|                          |                                         | TMC is an indirect major shareholder of Toyota Tsusho (Malaysia) Sdn Bhd (TTM), holding an effective interest of 15.18% through TTC, a company in which TMC has 21.69% direct equity interest.                                                           | <ul style="list-style-type: none"> <li>• Rental income received from TTM</li> <li>• Purchase of local spare parts from TTM</li> <li>• Purchase of accessories from TTM</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 20                                      |
|                          |                                         | TMC is an indirect major shareholder of UMW Toyotsu Motors Sdn Bhd (UMW Toyotsu), with an effective interest of 13.94% through TTC. TTC holds a 51.00% direct equity interest and a 13.30% indirect effective interest in UMW Toyotsu, held through TTM. | <ul style="list-style-type: none"> <li>• Sale of vehicles to UMW Toyotsu</li> <li>• Sale of vehicle parts to UMW Toyotsu</li> <li>• Incentives payment to UMW Toyotsu</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 392                                     |
|                          |                                         | TMC is an indirect major shareholder of Denso (Malaysia) Sdn Bhd (Denso Malaysia), with an effective interest of 21.78% through its shareholdings in Denso Corporation, Japan (DCJ) and TTC.                                                             | <ul style="list-style-type: none"> <li>• Purchase of local spare parts from Denso Malaysia</li> <li>• Purchase of local parts from Denso Malaysia</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 375                                     |
|                          |                                         | TMC is an indirect major shareholder of Denso Wiper System (Malaysia) Sdn Bhd (DWSSB), holding an effective interest of 24.16% through DCJ.                                                                                                              | <ul style="list-style-type: none"> <li>• Purchase of local parts from DWSSB</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 52                                      |

## ADDITIONAL COMPLIANCE INFORMATION

| Name of Related Party | Transacting Company in Sime Group | Relationship                                                                                                                                                                                                                                                            | Nature of Transactions                                                                                                                                                                                                            | Value of Transaction (RM million) |
|-----------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
|                       |                                   | TMC is an indirect major shareholder of JTEKT Malaysia Sdn Bhd (JMSB), holding an effective interest of 20.25% through JTEKT Corp, a company in which TMC has 22.50% direct equity interest.                                                                            | <ul style="list-style-type: none"> <li>Purchase of local spare parts from JMSB</li> </ul>                                                                                                                                         | *                                 |
|                       |                                   | TMC is an indirect major shareholder of Toyofuji Logistics Malaysia Sdn Bhd (TFLM), holding an effective interest of 25.00% through Toyofuji Shipping Co Ltd, a company in which TMC has 50.00% direct equity interest.                                                 | <ul style="list-style-type: none"> <li>Transportation charges and handling fees expenses charged by TFLM</li> </ul>                                                                                                               | 38                                |
|                       |                                   | P.T. Toyota Motor Manufacturing (TMMIN) is a 95.00% owned subsidiary of TMC.                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>Sale of parts rack to TMMIN</li> </ul>                                                                                                                                                     | *                                 |
|                       |                                   | TMC is a major shareholder of Toyota Aisin Philippines, Inc (TAP), holding 34.00% direct equity interest in TAP.                                                                                                                                                        | <ul style="list-style-type: none"> <li>Sales of parts rack to TAP</li> </ul>                                                                                                                                                      | *                                 |
|                       |                                   | Toyota Motor Europe NV/SA (TME) is a wholly-owned subsidiary of TMC.                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>Certification fee charges from TME</li> </ul>                                                                                                                                              | *                                 |
| TMC                   | Assembly Services Sdn Bhd (ASSB)  | TMC is an indirect major shareholder of ASSB, holding an effective interest of 41.17% through UMW and TTC, in which TMC has 39.00% and 21.69% direct equity interest respectively.                                                                                      | <ul style="list-style-type: none"> <li>Technical support and system implementation charges from TMC</li> <li>Purchase of other services (non-technical) from TMC</li> <li>Purchase of vehicle component parts from TMC</li> </ul> | 6                                 |
|                       |                                   | TMC is an indirect major shareholder of TTM, holding an effective interest of 15.18% through TTC, a company in which TMC has 21.69% direct equity interest.                                                                                                             | <ul style="list-style-type: none"> <li>Purchase of vehicle original equipment (OE), parts, consumables, sample parts, tools, equipment and machinery from TTM</li> <li>Commissions on catalyst export charges from TTM</li> </ul> | 30                                |
|                       |                                   | TMC is an indirect major shareholder of Denso Malaysia, with an effective interest of 21.78% through its shareholdings in DCJ and TTC. TMC owns 24.16% of DCJ, while DCJ and TTC hold indirect effective interests of 73.00% and 19.09% respectively in Denso Malaysia. | <ul style="list-style-type: none"> <li>Purchase of local vehicle parts from Denso Malaysia</li> </ul>                                                                                                                             | 169                               |

| Name of<br>Related Party | Transacting<br>Company in<br>Sime Group | Relationship                                                                                                                                                                                                                                               | Nature of Transactions                                                                                                                                                                                                                     | Value of<br>Transaction<br>(RM million) |
|--------------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
|                          |                                         | DPEM is an indirect 51.00% owned subsidiary of TMC, held through DMC, a direct wholly-owned subsidiary of TMC.                                                                                                                                             | <ul style="list-style-type: none"> <li>Purchase of local vehicle parts from DPEM</li> </ul>                                                                                                                                                | 185                                     |
|                          |                                         | TMC is an indirect major shareholder of PD Kawamura Kako Manufacturing Sdn Bhd (PD Kawamura), holding an effective interest of 39.00% through DMC, a direct wholly-owned subsidiary of TMC.                                                                | <ul style="list-style-type: none"> <li>Purchase of local content parts from PD Kawamura</li> </ul>                                                                                                                                         | 3                                       |
|                          |                                         | TMC is an indirect major shareholder of Autokeen Sdn Bhd (Autokeen), holding an effective interest of 14.00% through DMC, a direct wholly-owned subsidiary of TMC.                                                                                         | <ul style="list-style-type: none"> <li>Purchase of local content parts from Autokeen</li> </ul>                                                                                                                                            | 7                                       |
|                          |                                         | TMC is an indirect major shareholder of PMSB, holding an effective interest of 30.71% through DMC. DMC holds 20.00% equity interest in Perodua and 41.00% in PCSB. Perodua and PCSB directly hold 49.00% and 51.00% equity interests respectively in PMSB. | <ul style="list-style-type: none"> <li>Purchases of local vehicle parts from PMSB</li> </ul>                                                                                                                                               | *                                       |
|                          |                                         | TMC is an indirect major shareholder of JAMSB, holding an effective interest of 20.25% through JTEKT Corp, a company in which TMC has 22.50% direct equity interest.                                                                                       | <ul style="list-style-type: none"> <li>Purchase of local vehicle parts from JAMSB</li> </ul>                                                                                                                                               | 109                                     |
|                          |                                         | TABM is an indirect wholly-owned subsidiary of TMC, held through TABC, a wholly-owned subsidiary of TMC.                                                                                                                                                   | <ul style="list-style-type: none"> <li>Purchase of panel and parts from TABM</li> <li>Bumper painting charges from TABM</li> <li>Rental income received from TABM</li> <li>Electro-deposition process income received from TABM</li> </ul> | 357                                     |
|                          |                                         | TMAT is a wholly-owned subsidiary of TMC.                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Technical support and system implementation charges from TMAT</li> <li>Purchase of other services (non-technical) from TMAT</li> </ul>                                                              | 2                                       |
|                          |                                         | TMC is an indirect major shareholder of T&T Venture Sdn Bhd (TTV), holding an effective interest of 41.70% through Trinity Industrial Co Ltd, a company in which TMC has 41.70% direct equity interest.                                                    | <ul style="list-style-type: none"> <li>Purchase of new plant machineries, equipment, machine parts, sample parts and parts from TTV</li> </ul>                                                                                             | 1                                       |

## ADDITIONAL COMPLIANCE INFORMATION

| Name of Related Party | Transacting Company in Sime Group    | Relationship                                                                                                                                                                                                                                                                                                                                 | Nature of Transactions                                                                                         | Value of Transaction (RM million) |
|-----------------------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-----------------------------------|
| TMC                   | Automotive Industries Sdn Bhd (AISB) | TMC is an indirect major shareholder of AISB, holding an effective interest of 41.17% through UMWT and TTC, in which TMC has 39.00% and 21.69% direct equity interest respectively.                                                                                                                                                          | <ul style="list-style-type: none"> <li>Sale of vehicle OE exhaust system to PMSB</li> </ul>                    | 35                                |
|                       |                                      | TMC is also an indirect major shareholder of PMSB, holding an effective interest of 30.71% through DMC, a wholly-owned subsidiary of TMC. DMC holds direct equity interest of 20.00% in Perodua and 41.00% in PCSB. Perodua and PCSB hold direct equity interest of 49.00% and 51.00% in PMSB respectively.                                  |                                                                                                                |                                   |
|                       |                                      | TMC is an indirect major shareholder of Perodua Global Manufacturing Sdn Bhd (PGMSB), with an effective interest of 30.71% through DMC, a wholly-owned subsidiary of TMC. DMC holds direct equity interest of 20.00% in Perodua and 41.00% in PCSB. Perodua and PCSB hold direct equity interest of 49.00% and 51.00% in PGMSB respectively. | <ul style="list-style-type: none"> <li>Sale of vehicle OE exhaust system to PGMSB</li> </ul>                   | 60                                |
|                       |                                      | TMC is an indirect major shareholder of Perodua Engine Manufacturing Sdn Bhd (PEMSB), with an effective interest of 30.71% through DMC, a wholly-owned subsidiary of TMC. DMC holds direct equity interest of 20.00% in Perodua and 41.00% in PCSB. Perodua and PCSB hold direct equity interest of 49.00% and 51.00% in PGMSB respectively. | <ul style="list-style-type: none"> <li>Sale of stamping parts and manifold assembly exhaust to PEMS</li> </ul> | 62                                |
|                       |                                      | TMC is an indirect major shareholder of Perodua Sales Sdn Bhd (PSSB), holding an effective interest of 20.00% through DMC, a direct wholly-owned subsidiary of TMC.                                                                                                                                                                          | <ul style="list-style-type: none"> <li>Sale of vehicle exhaust replacement parts to PSSB</li> </ul>            | 1                                 |
|                       |                                      | DPEM is an indirect 51.00% owned subsidiary of TMC, held through DMC, a direct wholly-owned subsidiary of TMC.                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>Sale of manifold assembly exhaust to DPEM</li> </ul>                    | 95                                |

| Name of<br>Related Party | Transacting<br>Company in<br>Sime Group | Relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Nature of Transactions                                                                                                                 | Value of<br>Transaction<br>(RM million) |
|--------------------------|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
|                          |                                         | TABM is an indirect wholly-owned subsidiary of TMC, held through TABC, a wholly-owned subsidiary of TMC.                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>Sale of impact beam to TABM</li> </ul>                                                          | 1                                       |
|                          |                                         | TMC is an indirect major shareholder of TTM, holding an effective interest of 15.18% through TTC, a company in which TMC has 21.69% direct equity interest.                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>Purchase of seat frame components, pipe exhaust and sub muffler from TTM</li> </ul>             | 77                                      |
| TMC                      | Toyota Boshoku UMW Sdn Bhd (TBU)        | <p>TMC is a major shareholder of TBU, with an effective equity interest of 36.20% through its shareholdings in UMWT and Toyota Boshoku Corporation (TBC), which directly hold 65.00% and 35.00% equity interests in TBU, respectively.</p> <p>TMC is also an indirect major shareholder of PMSB, holding an effective interest of 30.71% through DMC, a wholly-owned subsidiary of TMC. DMC holds direct equity interest of 20.00% in Perodua and 41.00% in PCSB. Perodua and PCSB hold direct equity interest of 49.00% and 51.00% in PMSB respectively.</p> | <ul style="list-style-type: none"> <li>Sale of completed vehicle seats and parts to PMSB</li> <li>Sale of tooling to PMSB</li> </ul>   | 216                                     |
|                          |                                         | TMC is an indirect major shareholder of TTM, holding an effective interest of 15.18% through TTC, a company in which TMC has 21.69% direct equity interest.                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>Purchase of fabric and CKD seat components from TTM</li> <li>Sale of headrest to TTM</li> </ul> | 298                                     |
|                          |                                         | TMC is an indirect major shareholder of Hino Motors Manufacturing (M) Sdn Bhd (Hino Motor Malaysia), holding an effective interest of 40.09% through Hino Motor Ltd, Japan (Hino Motor Japan), a company in which TMC has 50.11% direct equity interest.                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>Sale of completed vehicle seats to Hino Motor Malaysia</li> </ul>                               | 2                                       |
|                          |                                         | TMC is an indirect major shareholder of PSSB, holding an effective interest of 20.00% through DMC, a direct wholly-owned subsidiary of TMC.                                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>Sale of service parts to PSSB</li> </ul>                                                        | *                                       |
|                          |                                         | TABM is an indirect wholly-owned subsidiary of TMC, through TABC, a wholly-owned subsidiary of TMC.                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>Purchase of seats and door trim parts from TABM</li> </ul>                                      | 3                                       |



## ADDITIONAL COMPLIANCE INFORMATION

| Name of Related Party | Transacting Company in Sime Group | Relationship                                                                                                                                                                                                                                                                                            | Nature of Transactions                                                                                                           | Value of Transaction (RM million) |
|-----------------------|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
|                       |                                   | TMC is a major shareholder of TBC, holding 31.00% direct equity interest in TBC.                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>Royalty cost charged by TBC</li> </ul>                                                    | 16                                |
|                       |                                   | TMC is an indirect major shareholder of Toyota Boshoku Asia Co Ltd, Thailand (TBAC), holding an effective interest of 31.00% through TBC.                                                                                                                                                               | <ul style="list-style-type: none"> <li>Professional/R&amp;D fees charges from TBAC</li> </ul>                                    | *                                 |
| TMC                   | KYB-UMW Malaysia Sdn Bhd (KYBM)   | TMC is an indirect major shareholder of KYBM, with an effective interest of 10.55% through UMW and KYB Corporation, Japan (KYBJ), which directly hold 21.43% and 33.40% equity interest in KYBM, respectively. TMC hold a direct equity interest of 6.55% in KYBJ.                                      | <ul style="list-style-type: none"> <li>Purchase of raw materials from TTM</li> <li>Sale of shock absorber to TTM</li> </ul>      | 2                                 |
|                       |                                   | TMC is also an indirect major shareholder of TTM, holding an effective interest of 15.18% through TTC, a company in which TMC has 21.69% direct equity interest.                                                                                                                                        |                                                                                                                                  |                                   |
|                       |                                   | TMC is a major shareholder of TTC, holding 21.69% equity interest in TTC.                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>Purchase of raw materials from TTC</li> <li>Purchase of tool and jigs from TTC</li> </ul> | 43                                |
|                       |                                   | TMC is an indirect major shareholder of Hino Motor Malaysia, holding an effective interest of 40.09% through Hino Motor Japan, a company in which TMC has 50.11% direct equity interest.                                                                                                                | <ul style="list-style-type: none"> <li>Sale of shock absorber to Hino Motor Malaysia</li> </ul>                                  | *                                 |
|                       |                                   | TMC is an indirect major shareholder of PMSB, holding an effective interest of 30.71% through DMC, a wholly-owned subsidiary of TMC. DMC holds direct equity interest of 20.00% in Perodua and 41.00% in PCSB. Perodua and PCSB hold direct equity interest of 49.00% and 51.00% in PMSB respectively.  | <ul style="list-style-type: none"> <li>Sale of shock absorber to PMSB</li> </ul>                                                 | 27                                |
|                       |                                   | TMC is an indirect major shareholder of PGMSB, holding an effective interest of 30.71% through DMC, a wholly-owned subsidiary of TMC. DMC holds direct equity interest of 20.00% in Perodua and 41.00% in PCSB. Perodua and PCSB hold direct equity interest of 49.00% and 51.00% in PMSB respectively. | <ul style="list-style-type: none"> <li>Sale of shock absorber to PGMSB</li> </ul>                                                | 41                                |

| Name of Related Party           | Transacting Company in Sime Group | Relationship                                                                                                                                                                                                                | Nature of Transactions                                                                                                                                                                | Value of Transaction (RM million) |
|---------------------------------|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
|                                 |                                   | TMC is an indirect major shareholder of PSSB, holding an effective interest of 20.00% through DMC, a direct wholly-owned subsidiary of TMC.                                                                                 | <ul style="list-style-type: none"> <li>• Sale of shock absorber to PSSB</li> <li>• Sale of gear system and steering pump to PSSB</li> </ul>                                           | 4                                 |
|                                 |                                   | TMC is an indirect major shareholder of Hino Motor Sales (Malaysia) Sdn Bhd (Hino Motor Sales), holding an effective interest of 40.09% through Hino Motor Japan, a company in which TMC has 50.11% direct equity interest. | <ul style="list-style-type: none"> <li>• Sale of shock absorber to Hino Motor Sales</li> </ul>                                                                                        | *                                 |
| Toyota Tsusho Corporation (TTC) | UMWT                              | TTC is a major shareholder of UMWT, holding 10.00% equity interest in UMWT.                                                                                                                                                 | <ul style="list-style-type: none"> <li>• Sale of sub-assembly parts to TLS</li> <li>• Forwarding, terminal and handling costs charges from TLS</li> </ul>                             | 601                               |
|                                 |                                   | TTC is an indirect major shareholder of Total Logistics Services (M) Sdn Bhd (TLS), holding an effective interest of 16.07% through TTM, a company in which TTC has 70.00% direct equity interest.                          |                                                                                                                                                                                       |                                   |
|                                 |                                   | TTM is a 70.00% owned subsidiary of TTC.                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>• Rental income received from TTM</li> <li>• Purchase of local spare parts from TTM</li> <li>• Purchase of accessories from TTM</li> </ul>     | 20                                |
|                                 |                                   | UMW Toyotsu is a 51.00% owned subsidiary of TTC.                                                                                                                                                                            | <ul style="list-style-type: none"> <li>• Sale of vehicles to UMW Toyotsu</li> <li>• Sale of vehicle parts to UMW Toyotsu</li> <li>• Incentives payment made to UMW Toyotsu</li> </ul> | 392                               |
|                                 |                                   | TTC is a major shareholder of Toyota Tsusho Systems Singapore Pte Ltd (TTS), holding 46.00% direct equity interest in TTS.                                                                                                  | <ul style="list-style-type: none"> <li>• Payment of IT charges to TTS</li> </ul>                                                                                                      | *                                 |
|                                 |                                   | Toyota Tsusho Systems Thailand Co Ltd (TTST) is 82.00% owned subsidiary of TTC.                                                                                                                                             | <ul style="list-style-type: none"> <li>• Microsoft Global Agreement Subscription fee charged by TTST</li> </ul>                                                                       | 3                                 |
|                                 |                                   | TAS Corporation (TAS) is a wholly-owned subsidiary of TTC.                                                                                                                                                                  | <ul style="list-style-type: none"> <li>• Software license fee charged by TAS</li> </ul>                                                                                               | *                                 |

## ADDITIONAL COMPLIANCE INFORMATION

| Name of Related Party | Transacting Company in Sime Group | Relationship                                                                                                                                                     | Nature of Transactions                                                                                                                                                                                       | Value of Transaction (RM million) |
|-----------------------|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| TTC                   | ASSB                              | TTC is an indirect major shareholder of ASSB, holding an effective interest of 10.00% through UMWT. ASSB is a wholly-owned subsidiary of UMWT.                   | <ul style="list-style-type: none"> <li>Sale of component parts to TLS</li> <li>Purchase of local contents parts from TLS</li> <li>Rental income received from TLS</li> </ul>                                 | 1,802                             |
|                       |                                   | TTC is also an indirect major shareholder of TLS, holding an effective interest of 16.07% through TTM, a company in which TTC has 70.00% direct equity interest. |                                                                                                                                                                                                              |                                   |
|                       |                                   | TTM is a 70.00% owned subsidiary of TTC.                                                                                                                         | <ul style="list-style-type: none"> <li>Purchase of vehicle OE parts, consumables, sample parts, tools and equipment from TTM</li> <li>Commissions income received from TTM</li> </ul>                        | 30                                |
|                       |                                   | TTC is a major shareholder of Koito Malaysia Sdn Bhd (Koito), holding 10.00% direct equity interest in Koito.                                                    | <ul style="list-style-type: none"> <li>Purchase of local content parts from Koito</li> </ul>                                                                                                                 | 85                                |
| TTC                   | AISB                              | TTC is an indirect major shareholder of AISB, holding an effective interest of 10.00% through UMWT. AISB is a wholly-owned subsidiary of UMWT.                   | <ul style="list-style-type: none"> <li>Purchase of bellow, cover pipe, glass wool, muffler and stainless steel from TTC</li> </ul>                                                                           | 1                                 |
|                       |                                   | TTM is a 70.00% owned subsidiary of TTC.                                                                                                                         | <ul style="list-style-type: none"> <li>Purchase of seat frame components, pipe exhaust and sub muffler from TTM</li> </ul>                                                                                   | 77                                |
| KYBJ                  | KYBM                              | KYBJ is a major shareholder of KYBM, holding 33.40% direct equity interest in KYBM.                                                                              | <ul style="list-style-type: none"> <li>Technical service fees charged by KYBJ</li> <li>Royalty cost charged by KYBJ</li> <li>Sale of component parts to KYBJ</li> <li>Insurance charges from KYBJ</li> </ul> | 11                                |
|                       |                                   | KYB Motorcycle Suspension Co Ltd (KYB Motorcycle) is a 66.60% owned subsidiary of KYBJ.                                                                          | <ul style="list-style-type: none"> <li>Royalty cost charged by KYB Motorcycle</li> </ul>                                                                                                                     | 1                                 |
|                       |                                   | KYB Motorcycle Suspension India PVT (KYB Motorcycle India) is a 66.60% owned subsidiary of KYBJ.                                                                 | <ul style="list-style-type: none"> <li>Purchase of raw material from KYB Motorcycle India</li> </ul>                                                                                                         | *                                 |
|                       |                                   | KYB Americas Corporation (KYB Americas) is a wholly-owned subsidiary of KYBJ.                                                                                    | <ul style="list-style-type: none"> <li>Sale of shock absorber to KYB Americas</li> <li>Sale of component parts to KYB Americas</li> <li>Purchase of component parts from KYB Americas</li> </ul>             | 28                                |

| Name of<br>Related Party | Transacting<br>Company in<br>Sime Group | Relationship                                                                                              | Nature of Transactions                                                                                                                                                                                                                                                          | Value of<br>Transaction<br>(RM million) |
|--------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
|                          |                                         | KYB Asian Pacific Corporation Ltd (KYB Asian Pacific) is a wholly-owned subsidiary of KYBJ.               | <ul style="list-style-type: none"> <li>• Sale of shock absorber to KYB Asian Pacific</li> <li>• Sale of component parts to KYB Asian Pacific</li> <li>• Purchase of component parts from KYB Asian Pacific</li> <li>• Purchase of strut mount from KYB Asian Pacific</li> </ul> | 14                                      |
|                          |                                         | KYB Europe GmbH (KYB Europe) is a wholly-owned subsidiary of KYBJ.                                        | <ul style="list-style-type: none"> <li>• Sale of shock absorber to KYB Europe</li> </ul>                                                                                                                                                                                        | 18                                      |
|                          |                                         | KYB Mexico S.A. De C.V. (KYB Mexico) is a wholly-owned subsidiary of KYBJ.                                | <ul style="list-style-type: none"> <li>• Sale of shock absorber to KYB Mexico</li> </ul>                                                                                                                                                                                        | 10                                      |
|                          |                                         | KYB Middle East FZE (KYB Middle East) is a wholly-owned subsidiary of KYBJ.                               | <ul style="list-style-type: none"> <li>• Sale of shock absorber to KYB Middle East</li> </ul>                                                                                                                                                                                   | 21                                      |
|                          |                                         | KYB Manufacturing do Brasil (KYB Brasil) is a wholly-owned subsidiary of KYBJ.                            | <ul style="list-style-type: none"> <li>• Sale of component parts to KYB Brasil</li> </ul>                                                                                                                                                                                       | *                                       |
|                          |                                         | Wuxi KYB Top Absorber Co Ltd (Wuxi KYB) is a wholly-owned subsidiary of KYBJ.                             | <ul style="list-style-type: none"> <li>• Sale of shock absorber to Wuxi KYB</li> </ul>                                                                                                                                                                                          | *                                       |
|                          |                                         | KYB Manufacturing Vietnam Co Ltd (KYB Vietnam) is a wholly-owned subsidiary of KYBJ.                      | <ul style="list-style-type: none"> <li>• Purchase of raw materials from KYB Vietnam</li> </ul>                                                                                                                                                                                  | 2                                       |
|                          |                                         | KYB Manufacturing Taiwan Co Ltd (KYB Taiwan) is a 55.10% owned subsidiary of KYBJ.                        | <ul style="list-style-type: none"> <li>• Purchase of component parts from KYB Taiwan</li> </ul>                                                                                                                                                                                 | *                                       |
|                          |                                         | KYBJ is a major shareholder of PT Kayaba Indonesia (PTKI), holding 30.00% direct equity interest in PTKI. | <ul style="list-style-type: none"> <li>• Purchase of raw materials from PTKI</li> <li>• Sale of component parts to PTKI</li> <li>• Sale of shock absorbers to PTKI</li> </ul>                                                                                                   | 7                                       |
|                          |                                         | KYB Thailand Co Ltd (KYB Thailand) is a 67.00% owned subsidiary of KYBJ.                                  | <ul style="list-style-type: none"> <li>• Purchase of raw materials from KYB Thailand</li> <li>• Sale of piston rod to KYB Thailand</li> </ul>                                                                                                                                   | 2                                       |

## ADDITIONAL COMPLIANCE INFORMATION

| Name of Related Party                | Transacting Company in Sime Group                | Relationship                                                                                                                                                                                                                    | Nature of Transactions                                                                                                                                                                                           | Value of Transaction (RM million) |
|--------------------------------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| Toyota Industries Corporation (TICO) | UMW Industries (1985) Sdn Bhd (UMWI“)            | TICO is an indirect major shareholder of UMWI, holding an effective interest of 49.00% through UMW Toyota Material Handling Sdn Bhd (UTMH), a company in which TICO has 49.00% direct equity interest.                          | <ul style="list-style-type: none"> <li>Purchase of spare parts from TICO</li> <li>Purchase of equipment from TICO</li> <li>Service charges from TICO</li> </ul>                                                  | 178                               |
|                                      |                                                  | Toyota Material Handling Manufacturing Sweden SB (TMHM Sweden) is an indirect wholly-owned subsidiary of TICO.                                                                                                                  | <ul style="list-style-type: none"> <li>Purchase of spare parts from TMHM Sweden</li> <li>Purchase of equipment from TMHM Sweden</li> </ul>                                                                       | 26                                |
|                                      |                                                  | Toyota Material Handling Europe Logistics AB (TMHE Logistics) is an indirect wholly-owned subsidiary of TICO.                                                                                                                   | <ul style="list-style-type: none"> <li>Purchase of spare parts from TMHE Logistics</li> <li>Purchase of equipment from TMHE Logistics</li> </ul>                                                                 | 4                                 |
|                                      |                                                  | Toyota Material Handling Manufacturing Italy S.p.A. (TMH Italy) is a wholly-owned subsidiary of TICO.                                                                                                                           | <ul style="list-style-type: none"> <li>Purchase of equipment from TMH Italy</li> </ul>                                                                                                                           | 1                                 |
|                                      |                                                  | Toyota Material Handling International AB (TMHI) is a wholly-owned subsidiary of TICO.                                                                                                                                          | <ul style="list-style-type: none"> <li>Purchase of catalogue, newsletter and training charges from TMHI</li> <li>Purchase of equipment from TMHI</li> </ul>                                                      | 2                                 |
|                                      |                                                  | Tailift Material Handling Taiwan Co Ltd (Tailift Taiwan) is a wholly-owned subsidiary of TICO.                                                                                                                                  | <ul style="list-style-type: none"> <li>Purchase of spare parts from Tailift Taiwan</li> </ul>                                                                                                                    | *                                 |
|                                      |                                                  | The Raymond Corporation (TRC) is a wholly-owned subsidiary of TICO.                                                                                                                                                             | <ul style="list-style-type: none"> <li>Purchase of spare parts from TRC</li> <li>Purchase of equipment from TRC</li> </ul>                                                                                       | 5                                 |
|                                      |                                                  | Toyota Material Handling (Thailand) Co Ltd (TMH Thailand) is a 60.00% owned subsidiary of TICO.                                                                                                                                 | <ul style="list-style-type: none"> <li>Purchase of other items from TMH Thailand</li> </ul>                                                                                                                      | *                                 |
| TICO                                 | UMW Industrial Equipment (Shanghai) Co Ltd (UIE) | <p>TICO is an indirect major shareholder of UIE, holding an effective interest of 49.00% through UTMH, a company in which TICO has 49.00% direct equity interest.</p> <p>TMH Shanghai is a 75.20% owned subsidiary of TICO.</p> | <ul style="list-style-type: none"> <li>Purchase of spare parts from TMH Shanghai</li> <li>Purchase of equipment from TMH Shanghai</li> <li>Provision of repair of equipment services for TMH Shanghai</li> </ul> | 17                                |

| Name of Related Party | Transacting Company in Sime Group                      | Relationship                                                                                                                                                                                                             | Nature of Transactions                                                                                                                                                                                                                                          | Value of Transaction (RM million) |
|-----------------------|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| TICO                  | UMW Industrial Trading (Shanghai) Co Ltd (UIT)         | TICO is an indirect major shareholder of UIT, holding an effective interest of 49.00% through UTMH, a company in which TICO has 49.00% direct equity interest.<br><br>TMH Shanghai is a 75.20% owned subsidiary of TICO. | <ul style="list-style-type: none"> <li>Purchase of equipment from TMH Shanghai</li> </ul>                                                                                                                                                                       | 1                                 |
| TICO                  | UMW Equipment Systems (Vietnam) Company Limited (UESV) | TICO is an indirect major shareholder of UESV, holding an effective interest of 49.00% through UTMH, a company in which TICO has 49.00% direct equity interest.                                                          | <ul style="list-style-type: none"> <li>Purchase of goods and services from TICO</li> <li>System usage fee charged by TICO</li> <li>License fees charged by TICO</li> </ul>                                                                                      | 3                                 |
|                       |                                                        | TMHM Sweden is an indirect wholly-owned subsidiary of TICO.                                                                                                                                                              | <ul style="list-style-type: none"> <li>Purchase of goods and services from TMHM Sweden</li> </ul>                                                                                                                                                               | 10                                |
|                       |                                                        | TMHI is a wholly-owned subsidiary of TICO.                                                                                                                                                                               | <ul style="list-style-type: none"> <li>I-Site service charges from TMHI</li> <li>Purchase of goods and services from TMHI</li> </ul>                                                                                                                            | 1                                 |
|                       |                                                        | TRC is a wholly-owned subsidiary of TICO.                                                                                                                                                                                | <ul style="list-style-type: none"> <li>Purchase of goods and services from TRC</li> </ul>                                                                                                                                                                       | 2                                 |
|                       |                                                        | TMHE Logistics is an indirect wholly-owned subsidiary of TICO.                                                                                                                                                           | <ul style="list-style-type: none"> <li>Purchase of parts from TMHE Logistics</li> </ul>                                                                                                                                                                         | 1                                 |
| TICO                  | UMW Equipment & Engineering Pte Ltd (UEEPL)            | TICO is an indirect major shareholder of UEEPL, holding an effective interest of 49.00% through UTMH, a company in which TICO has 49.00% direct equity interest.                                                         | <ul style="list-style-type: none"> <li>Purchase of machinery from TICO</li> <li>Purchase of parts from TICO</li> <li>License fee and data management cost, part catalogues and operator manual, training and advertising materials charges from TICO</li> </ul> | 124                               |
|                       |                                                        | TICO is a major shareholder of Aichi Corporation (Aichi), holding 21.50% direct equity interest in Aichi.                                                                                                                | <ul style="list-style-type: none"> <li>Purchase of parts from Aichi</li> </ul>                                                                                                                                                                                  | *                                 |
|                       |                                                        | Tailift Taiwan is a wholly-owned subsidiary of TICO.                                                                                                                                                                     | <ul style="list-style-type: none"> <li>Purchase of parts from Tailift Taiwan</li> </ul>                                                                                                                                                                         | *                                 |
|                       |                                                        | TRC is a wholly-owned subsidiary of TICO.                                                                                                                                                                                | <ul style="list-style-type: none"> <li>Purchase of machinery from TRC</li> <li>Purchase of parts from TRC</li> </ul>                                                                                                                                            | 1                                 |



## ADDITIONAL COMPLIANCE INFORMATION

| Name of Related Party | Transacting Company in Sime Group | Relationship                                                   | Nature of Transactions                                                                                                                                                           | Value of Transaction (RM million) |
|-----------------------|-----------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
|                       |                                   | TMH Italy is a wholly-owned subsidiary of TICO.                | <ul style="list-style-type: none"> <li>Purchase of machinery from TMH Italy</li> </ul>                                                                                           | 1                                 |
|                       |                                   | TMHM Sweden is an indirect wholly-owned subsidiary of TICO.    | <ul style="list-style-type: none"> <li>Purchase of machinery from TMHM Sweden</li> <li>Purchase of parts from TMHM Sweden</li> </ul>                                             | 11                                |
|                       |                                   | TMHE Logistics is an indirect wholly-owned subsidiary of TICO. | <ul style="list-style-type: none"> <li>Purchase of parts from TMHE Logistics</li> </ul>                                                                                          | 2                                 |
|                       |                                   | TMHI is a wholly-owned subsidiary of TICO.                     | <ul style="list-style-type: none"> <li>Purchase of machinery from TMHI</li> <li>Website service fee, training and engineer toolkit license user expenses paid to TMHI</li> </ul> | 3                                 |

**Note:**

\* Less than RM0.5 million

The Company intends to seek shareholders' approval for the renewal of the existing Mandate for recurrent related party transactions of a revenue or trading nature at its forthcoming Nineteenth AGM. The renewal of the existing Mandate, if approved, will be valid until the conclusion of the Company's next AGM.

Details of the Mandate being sought are provided in the Statement/Circular dated 15 October 2025.

## STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

The Directors are responsible for the preparation, integrity and fair presentation of the annual financial statements of Sime Darby Berhad. As required by the Companies Act, 2016 (Act) and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the financial statements for the financial year ended 30 June 2025, as presented on pages 171 to 299, have been prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act.

The Directors consider that in the course of the preparation of the financial statements, the Group and the Company have used the appropriate accounting policies which are consistently applied and supported by reasonable and prudent judgements and estimates. The Directors are satisfied that the information contained in the financial statements give a true and fair view of the financial position of the Group and of the Company at the end of the financial year and the financial performance of the Group and the Company for the financial year then ended.

The Directors have responsibility for ensuring that proper accounting records are kept. The accounting records should disclose with reasonable accuracy the financial position of the Group and of the Company so as to enable the Directors to ensure that the financial statements comply with the Act. The Directors have the general responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group and the Company and to detect and prevent fraud and other irregularities.

This statement is made in accordance with a resolution of the Board of Directors dated 25 September 2025.

### BOARD APPROVAL OF FINANCIAL STATEMENTS

The annual financial statements for the financial year ended 30 June 2025 are set out on pages 171 to 299. The preparation thereof was supervised by the Group Chief Financial Officer and approved by the Board of Directors on 25 September 2025.

# 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<br>RM million | Company<br>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)               | (–) <sup>1</sup>      |
| 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 |

<sup>1</sup> 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<br>1 July 2024 | Addition | As at<br>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    | – <sup>1</sup> | 1    |
|                                            | 29    | 37   | 1              | 2    |

<sup>1</sup> 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.

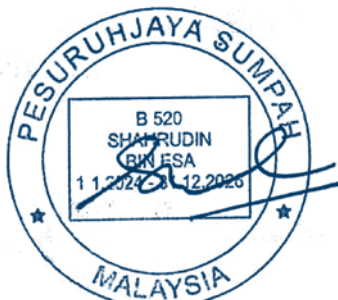


**Muhammad Noor bin Abd Aziz @ Hashim**  
(MIA No. 39410)  
Group Chief Financial Officer

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><b>Recoverability of indefinite-lived intangible assets' carrying amounts</b></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"> <li>• We assessed the appropriateness of the methodology adopted by management for impairment assessments in accordance with MFRS 136 "Impairment of Assets".</li> <li>• 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.</li> <li>• We discussed with management assumptions underlying the cash flow projections.</li> <li>• We assessed the reliability of approved budgets by comparing the previous years' approved budgets against past trends of actual results.</li> <li>• We involved our valuation expert to assess discount rates used in determining the recoverable amounts of CGUs.</li> <li>• 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.</li> <li>• We checked the appropriateness of disclosures in the financial statements.</li> </ul> <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><b>Provision for warranties for vehicles</b></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"> <li>• We obtained an understanding over the warranty estimation process.</li> <li>• 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.</li> <li>• We tested the validity of historical data by tracing to supporting documents such as actual claims report on a sample basis.</li> <li>• We recalculated the mathematical accuracy of the provision workings.</li> <li>• We evaluated the outcome of prior period assessment of provision for warranties to assess the effectiveness of management's estimation process.</li> <li>• We checked the appropriateness of disclosures in the financial statements.</li> </ul> <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)    | (–) <sup>1</sup> | (–) <sup>1</sup> |
| 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     |                  |                  |

<sup>1</sup> 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):                                                                              |      |         |                  |         |      |
| <b>Continuing operations</b>                                                                                    |      |         |                  |         |      |
| 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)    | (-) <sup>1</sup> | -       | -    |
|                                                                                                                 |      | (14)    | (-) <sup>1</sup> | -       | -    |
| 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  |

<sup>1</sup> 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    | – <sup>1</sup> | –              |
| 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  | – <sup>1</sup> | – <sup>1</sup> |
| 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         |

<sup>1</sup> 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           |
| <b>EQUITY</b>                                |      |               |                |                |                |
| 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            |
| <b>Attributable to owners of the company</b> |      | <b>19,204</b> | 19,366         | <b>10,359</b>  | 10,176         |
| Non-controlling interests                    | 38   | 2,960         | 2,811          | –              | –              |
| Perpetual sukuk                              | 39   | 1,181         | 1,181          | –              | –              |
| <b>TOTAL EQUITY</b>                          |      | <b>23,345</b> | 23,358         | <b>10,359</b>  | 10,176         |
| <b>NON-CURRENT LIABILITIES</b>               |      |               |                |                |                |
| Borrowings                                   | 40   | 4,891         | 4,702          | –              | –              |
| Lease liabilities                            | 41   | 2,007         | 2,231          | – <sup>1</sup> | 1              |
| Derivative liabilities                       | 29   | –             | – <sup>1</sup> | –              | –              |
| 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              |
| <b>CURRENT LIABILITIES</b>                   |      |               |                |                |                |
| Borrowings                                   | 40   | 2,231         | 5,738          | –              | –              |
| Lease liabilities                            | 41   | 441           | 540            | – <sup>1</sup> | – <sup>1</sup> |
| 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            | –              | –              |
| <b>TOTAL LIABILITIES</b>                     |      | <b>24,043</b> | 28,464         | <b>13</b>      | 4              |
| <b>TOTAL EQUITY AND LIABILITIES</b>          |      | <b>47,388</b> | 51,822         | <b>10,372</b>  | 10,180         |

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

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

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

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

<sup>2</sup> 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 |
|---------------------------------|------|---------------|------------------|----------------------------------------------------|
| <b>2025</b>                     |      |               |                  |                                                    |
| <b>At 1 July 2024</b>           |      | <b>9,330</b>  | <b>846</b>       | <b>10,176</b>                                      |
| Profit for the financial year   |      | –             | <b>1,137</b>     | <b>1,137</b>                                       |
| Transaction with owners:        |      |               |                  |                                                    |
| – dividends paid by way of cash | 19   | –             | <b>(954)</b>     | <b>(954)</b>                                       |
| At 30 June 2025                 |      | <b>9,330</b>  | <b>1,029</b>     | <b>10,359</b>                                      |
| <b>2024</b>                     |      |               |                  |                                                    |
| <b>At 1 July 2023</b>           |      | 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             |
| <b>Cash flow from operating activities</b>                                          |      |                |         |                         |                  |
| Profit for the financial year from continuing operations                            |      | <b>2,388</b>   | 1,483   | <b>1,137</b>            | 964              |
| Adjustments for:                                                                    |      |                |         |                         |                  |
| – dividend from subsidiaries                                                        |      | –              | –       | <b>(1,211)</b>          | (1,026)          |
| – dividend income from financial assets                                             |      | –              | (144)   | –                       | –                |
| – share of results of joint ventures and associates                                 |      | <b>(513)</b>   | (260)   | –                       | –                |
| – finance income                                                                    |      | <b>(106)</b>   | (142)   | <b>(2)</b>              | (2)              |
| – finance costs                                                                     |      | <b>647</b>     | 719     | <b>11</b>               | 3                |
| – taxation                                                                          |      | <b>663</b>     | 698     | – <sup>1</sup>          | – <sup>1</sup>   |
| – gain on disposal of property, plant and equipment and investment properties (net) |      | <b>(916)</b>   | (284)   | –                       | –                |
| – gain on disposal of businesses and equity investments (net)                       |      | <b>(65)</b>    | –       | –                       | –                |
| – (reversal of impairment losses)/impairment losses on receivables (net)            |      | <b>(23)</b>    | 22      | –                       | –                |
| – impairment losses on non-financial assets (net)                                   |      | <b>28</b>      | 195     | –                       | –                |
| – depreciation and amortisation                                                     |      | <b>2,126</b>   | 2,018   | – <sup>1</sup>          | – <sup>1</sup>   |
| – inventory write-down and provision                                                |      | <b>279</b>     | 279     | –                       | –                |
| – fair value (gain)/loss on financial assets at fair value through profit or loss   |      | <b>(4)</b>     | (20)    | –                       | –                |
| – other non-cash items                                                              |      | <b>(47)</b>    | (25)    | –                       | –                |
|                                                                                     |      | <b>4,457</b>   | 4,539   | <b>(65)</b>             | (61)             |
| Changes in working capital:                                                         |      |                |         |                         |                  |
| – inventories                                                                       |      | <b>2,044</b>   | (805)   | –                       | –                |
| – rental assets                                                                     |      | <b>(1,200)</b> | (1,635) | –                       | –                |
| – receivables and other assets                                                      |      | <b>(147)</b>   | (507)   | – <sup>1</sup>          | –                |
| – payables and other liabilities                                                    |      | <b>461</b>     | (788)   | – <sup>1</sup>          | –                |
| – amounts due from/to subsidiaries                                                  |      | –              | –       | <b>61</b>               | –                |
| Cash generated from/(used in) operations                                            |      | <b>5,615</b>   | 804     | <b>(4)</b>              | (61)             |
| Tax paid                                                                            |      | <b>(793)</b>   | (611)   | <b>(–)</b> <sup>1</sup> | (–) <sup>1</sup> |
| Tax refunded                                                                        |      | <b>4</b>       | 91      | –                       | –                |
| Dividends received from:                                                            |      |                |         |                         |                  |
| – subsidiaries                                                                      |      | –              | –       | <b>511</b> <sup>2</sup> | 1,026            |
| – joint ventures and associates                                                     |      | <b>494</b>     | 38      | –                       | –                |
| – financial assets                                                                  |      | –              | 144     | –                       | –                |
| Operating cash flow from continuing operations                                      |      | <b>5,320</b>   | 466     | <b>507</b>              | 965              |
| Operating cash flow (used in)/from discontinued operations                          |      | <b>(21)</b>    | 10      | –                       | –                |
| Net cash flow from operating activities                                             |      | <b>5,299</b>   | 476     | <b>507</b>              | 965              |

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

<sup>2</sup> 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  |
| <b>Cash flow from investing activities</b>                                      |       |                  |                 |                |       |
| Finance income received                                                         |       | 94               | 125             | – <sup>1</sup> | –     |
| Proceeds from sale of:                                                          |       |                  |                 |                |       |
| – property, plant and equipment                                                 |       | 96               | 44              | –              | –     |
| – investment properties <sup>2</sup>                                            |       | 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 <sup>3</sup> | 27 <sup>4</sup> | –              | –     |
| 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 <sup>5</sup>                           |       | (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) |

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

<sup>2</sup> Exclude deposits received in previous financial years and amount withheld for tax.

<sup>3</sup> Includes balance consideration received from the disposal of the Weifang port companies.

<sup>4</sup> Relates to balance consideration from the disposal of Jining ports.

<sup>5</sup> 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  |
| <b>Cash flow from financing activities</b>                        |      |                    |                    |                |       |
| 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)              | – <sup>3</sup> | –     |
| 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) <sup>1</sup> | (136) <sup>2</sup> | –              | –     |
| 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    |

<sup>1</sup> Includes RM23 million declared in the financial year ended 30 June 2024.

<sup>2</sup> Includes RM29 million declared in the financial year ended 30 June 2023.

<sup>3</sup> 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   | <b>3,039</b> | 2,677 | <b>30</b> | 50   |
| Bank overdrafts                                            | 40   | <b>(118)</b> | (102) | –         | –    |
| Deposits with maturity of more than 3 months               |      | <b>(25)</b>  | (2)   | –         | –    |
| Deposits restricted by bank                                |      | <b>(77)</b>  | (57)  | –         | –    |
| Cash and cash equivalents from continuing operations       |      | <b>2,819</b> | 2,516 | <b>30</b> | 50   |
| Cash and cash equivalents included under disposal group    |      | –            | 260   | –         | –    |
|                                                            |      | <b>2,819</b> | 2,776 | <b>30</b> | 50   |

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

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

Breakdown of finance costs paid of continuing operations:

|                     | 2025       | 2024 |
|---------------------|------------|------|
| Borrowings          | <b>452</b> | 540  |
| Payables and others | <b>69</b>  | 61   |
|                     | <b>521</b> | 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        |
|--------------------------|--------------|--------------|--------------|-----------|--------------|
| <b>2025</b>              |              |              |              |           |              |
| Malaysia                 | 253          | 1,035        | 1,100        | 67        | 2,455        |
| China <sup>1</sup>       | 271          | 223          | 20           | –         | 514          |
| Other countries in Asia  | 149          | 221          | 48           | 1         | 419          |
| Australasia <sup>2</sup> | 1,488        | 376          | –            | –         | 1,864        |
|                          | <b>2,161</b> | <b>1,855</b> | <b>1,168</b> | <b>68</b> | <b>5,252</b> |

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

The Group has no significant concentration of credit risk.

<sup>1</sup> China consists of Mainland China, Hong Kong, Macau and Taiwan.

<sup>2</sup> 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 |
| <b>Industrial Division</b> |                         |                               |                  |                     |
| 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                  |
| <b>Total</b>               | <b>2,260</b>            |                               | <b>(99)</b>      | <b>2,161</b>        |
| <b>Motors Division</b>     |                         |                               |                  |                     |
| 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                           | (–) <sup>1</sup> | 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                   |
| <b>Total</b>               | <b>1,876</b>            |                               | <b>(21)</b>      | <b>1,855</b>        |
| <b>UMW Division</b>        |                         |                               |                  |                     |
| 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                           | (–) <sup>1</sup> | 13                  |
| – 61 to 90 days            | 7                       | 1.4                           | (–) <sup>1</sup> | 7                   |
| – 91 to 180 days           | 5                       | 5.3                           | (–) <sup>1</sup> | 5                   |
| – more than 181 days       | 17                      | 45.8                          | (8)              | 9                   |
| <b>Total</b>               | <b>1,180</b>            |                               | <b>(12)</b>      | <b>1,168</b>        |

<sup>1</sup> 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 |
| <b>Industrial Division</b> |                         |                               |                  |                     |
| 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                  |
| <b>Total</b>               | <b>2,461</b>            |                               | <b>(129)</b>     | <b>2,332</b>        |
| <b>Motors Division</b>     |                         |                               |                  |                     |
| 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                           | (–) <sup>1</sup> | 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                  |
| <b>Total</b>               | <b>2,247</b>            |                               | <b>(24)</b>      | <b>2,223</b>        |
| <b>UMW Division</b>        |                         |                               |                  |                     |
| 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                           | (–) <sup>1</sup> | 24                  |
| – 61 to 90 days            | 7                       | 1.6                           | (–) <sup>1</sup> | 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)              | –                   |
| <b>Total</b>               | <b>1,168</b>            |                               | <b>(16)</b>      | <b>1,152</b>        |

<sup>1</sup> 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               | – <sup>1</sup>          | 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               | – <sup>1</sup>          | 8                 | 142   |

<sup>1</sup> 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               | – <sup>1</sup>          | 11                | 182   |

<sup>1</sup> 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  |
|-----------------------------------------------------------------------|------------|--------|--------|--------|--------|
| <b>2025</b>                                                           |            |        |        |        |        |
| <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                                         | 323        | –      | 853    | 8      | 1,184  |
| Commission, handling fees and others                                  | –          | 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 <sup>1</sup>                                                    | 2,622      | 12,465 | 121    | –      | 15,208 |
| Other countries in Asia                                               | 883        | 9,564  | 227    | 6      | 10,680 |
| Australasia <sup>2</sup>                                              | 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 |

<sup>1</sup> China consists of Mainland China, Hong Kong, Macau and Taiwan.

<sup>2</sup> 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  |
|-----------------------------------------------------------------------|------------|--------|-------|--------|--------|
| <b>2024</b>                                                           |            |        |       |        |        |
| <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 <sup>1</sup>                                                    | 2,393      | 15,056 | 22    | –      | 17,471 |
| Other countries in Asia                                               | 916        | 7,003  | 137   | 5      | 8,061  |
| Australasia <sup>2</sup>                                              | 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 |

<sup>1</sup> China consists of Mainland China, Hong Kong, Macau and Taiwan.

<sup>2</sup> 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  | – <sup>1</sup> | –              |
|                                                             | 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    | – <sup>1</sup> | – <sup>1</sup> |
| – investment properties                                     | 11     | 24     | –              | –              |
|                                                             | 2,126  | 2,018  | – <sup>1</sup> | – <sup>1</sup> |
| <u>Leases</u>                                               |        |        |                |                |
| Short-term leases                                           | 125    | 166    | – <sup>1</sup> | – <sup>1</sup> |
| Lease of low-value assets                                   | 3      | 9      | –              | –              |
|                                                             | 128    | 175    | – <sup>1</sup> | – <sup>1</sup> |
| <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             |

<sup>1</sup> 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                          | – <sup>1</sup> | 1    | – <sup>1</sup> | 1    |
| Member firms of PricewaterhouseCoopers International Limited | –              | –    | –              | –    |
|                                                              | – <sup>1</sup> | 1    | – <sup>1</sup> | 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    |

<sup>1</sup> 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 <sup>1</sup>   | 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  |

<sup>1</sup> 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<br>associate | Others | Total | Material<br>associate | Others | Total |
| Share of results                                     | 439                   | 55     | 494   | 199                   | 44     | 243   |
| Share of other comprehensive<br>income/(loss)        | – <sup>1</sup>        | (37)   | (37)  | – <sup>1</sup>        | 3      | 3     |
| Share of total comprehensive<br>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<br>reserves                | 192                   | 203    | 395   | 37                    | 194    | 231   |
| Unrealised profit on transactions<br>with associates | –                     | (2)    | (2)   | –                     | (2)    | (2)   |
| Impairment losses                                    | –                     | (1)    | (1)   | –                     | (1)    | (1)   |
|                                                      | 2,532                 | 655    | 3,187 | 2,377                 | 679    | 3,056 |

<sup>1</sup> 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                     | <sup>1</sup> | <sup>1</sup> |
| Total comprehensive income                     | 1,155        | 524          |
| Dividend received                              | 445          | –            |

<sup>1</sup> 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   | – <sup>1</sup> | – <sup>1</sup> |
| – foreign income tax                                                                                               | 338   | 462   | –              | –              |
| In respect of prior years                                                                                          |       |       |                |                |
| – Malaysian income tax                                                                                             | 12    | 7     | – <sup>1</sup> | – <sup>1</sup> |
| – foreign income tax                                                                                               | (4)   | 6     | –              | –              |
| Total income tax                                                                                                   | 683   | 705   | – <sup>1</sup> | – <sup>1</sup> |
| Deferred tax:                                                                                                      |       |       |                |                |
| – origination and reversal of temporary differences                                                                | (96)  | (104) | – <sup>1</sup> | – <sup>1</sup> |
| – 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)   | – <sup>1</sup> | – <sup>1</sup> |
| Total tax expense                                                                                                  | 663   | 698   | – <sup>1</sup> | – <sup>1</sup> |

<sup>1</sup> 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                                                                        | <b>3,051</b> | 2,181 | <b>1,137</b>         | 964                  |
| Less: Share of results of joint ventures                                                 | <b>(19)</b>  | (17)  | –                    | –                    |
| Share of results of associates                                                           | <b>(494)</b> | (243) | –                    | –                    |
|                                                                                          | <b>2,538</b> | 1,921 | <b>1,137</b>         | 964                  |
| Applicable tax                                                                           | <b>616</b>   | 494   | <b>273</b>           | 231                  |
| Withholding tax and additional tax on foreign income                                     | <b>20</b>    | 29    | –                    | –                    |
| Effects of tax incentives and non-taxable income:                                        |              |       |                      |                      |
| – non-taxable dividends                                                                  | –            | (35)  | <b>(291)</b>         | (246)                |
| – tax incentives and other income                                                        | <b>(43)</b>  | (38)  | –                    | –                    |
| Effects of non-deductible expenses                                                       | <b>110</b>   | 176   | <b>18</b>            | 15                   |
| Effects of real property gains tax                                                       | <b>(124)</b> | (39)  | –                    | –                    |
| Effects of income subject to different tax rates                                         | –            | 1     | –                    | –                    |
| Effects of deferred tax on unremitted earnings                                           | <b>(10)</b>  | 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 | <b>86</b>    | (5)   | –                    | –                    |
| Under provision in prior years                                                           | <b>8</b>     | 13    | –                    | –                    |
| Tax expense for the financial year                                                       | <b>663</b>   | 698   | <b>–<sup>1</sup></b> | <b>–<sup>1</sup></b> |
| Applicable tax rate (%)                                                                  | <b>24.3</b>  | 25.7  | <b>24.0</b>          | 24.0                 |
| Effective tax rate (%)                                                                   | <b>26.1</b>  | 36.3  | <b>–<sup>2</sup></b> | <b>–<sup>2</sup></b> |

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

<sup>2</sup> 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 <sup>1</sup>                                         | 2,810 |
| Net increase in cash and cash equivalents                                               | 2,810 |

<sup>1</sup> 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) | <b>682</b>    | 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)            | <b>204</b>    | 204  |
| Special interim dividend of 1.0 sen per share for the financial year ended 30 June 2025, paid on 27 March 2025                                                           | <b>68</b>     | –    |
|                                                                                                                                                                          | <b>954</b>    | 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                              | –                                     | –                | (–) <sup>1</sup> | (–) <sup>1</sup> | –                         | (–) <sup>1</sup> | –           | (–) <sup>1</sup> |
| Other comprehensive income/(loss) before tax                                 | 13                                    | 16               | (–) <sup>1</sup> | 29               | (20)                      | 9                | (2)         | 7                |
| Taxation                                                                     | (2)                                   | –                | –                | (2)              | –                         | (2)              |             |                  |
| Other comprehensive income/(loss) from continuing operations                 | 11                                    | 16               | (–) <sup>1</sup> | 27               | (20)                      | 7                |             |                  |
| Other comprehensive income/(loss) from discontinued operations               | –                                     | – <sup>1</sup>   | (1)              | (1)              | –                         | (1)              |             |                  |
| Total other comprehensive income/(loss) after tax                            | 11                                    | 16               | (1)              | 26               | (20)                      | 6                |             |                  |

<sup>1</sup> 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   |
|----------------------------------------------------|---------------|-----------|---------------------|---------------|----------------------------------|--------------------------|---------|
| <b>2025</b>                                        |               |           |                     |               |                                  |                          |         |
| 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  |
| <b>2024</b>                                        |               |           |                     |               |                                  |                          |         |
| 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<br>land | Buildings | Vehicles,<br>equipment<br>and<br>fixtures | Rental<br>assets | Total   |
|---------------------------------------------------|-------------------|-----------|-------------------------------------------|------------------|---------|
| <b>2025</b>                                       |                   |           |                                           |                  |         |
| 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   |
| <b>2024</b>                                       |                   |           |                                           |                  |         |
| 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<br>land | Buildings | Vehicles,<br>equipment<br>and<br>fixtures | Rental<br>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<br>land | Leasehold<br>land | Buildings        | Total            |
|----------------------------------------------|------------------|-------------------|------------------|------------------|
| <b>2025</b>                                  |                  |                   |                  |                  |
| 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                | –                | –                 | (–) <sup>1</sup> | (–) <sup>1</sup> |
| Carrying amount at end of the financial year | 168              | 96                | 301              | 565              |
| <b>2024</b>                                  |                  |                   |                  |                  |
| 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                | –                | –                 | (–) <sup>1</sup> | (–) <sup>1</sup> |
| Carrying amount at end of the financial year | 252              | 79                | 307              | 638              |
| <b>At 1 July 2023</b>                        |                  |                   |                  |                  |
| Cost                                         | 42               | 38                | 254              | 334              |
| Accumulated depreciation                     | –                | (14)              | (61)             | (75)             |
| Accumulated impairment losses                | –                | –                 | (1)              | (1)              |
| Carrying amount                              | 42               | 24                | 192              | 258              |

<sup>1</sup> 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 <sup>1</sup> | Total intangible assets |
|----------------------------------------------|----------|---------------------------------------|----------------------|--------------------------------------------------------|-------|------------------------------------------|-------------------------|
|                                              | Goodwill | Distribution/<br>dealership<br>rights | Computer<br>software | Customer<br>relationships,<br>trademarks<br>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                   |

<sup>1</sup> 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 <sup>1</sup> | Total intangible assets |
|----------------------------------------------|----------|------------------------------------|-------------------|-----------------------------------------------|-------|------------------------------------------|-------------------------|
|                                              | Goodwill | Distribution/<br>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                   |

<sup>1</sup> Internally generated assets consist of computer software and development costs.

| At 1 July 2023                | Acquired |                                    |                   |                                               | Total | Internally generated assets <sup>1</sup> | Total intangible assets |
|-------------------------------|----------|------------------------------------|-------------------|-----------------------------------------------|-------|------------------------------------------|-------------------------|
|                               | Goodwill | Distribution/<br>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                   |

<sup>1</sup> 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<br>shares | Investment<br>in money<br>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<br>shares | Investment<br>in money<br>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       | – <sup>1</sup>     | 5                                      | (–) <sup>1</sup> | 5     |
| Exchange differences        | 1                  | –                                      | 2                | 3     |
| At 30 June 2024             | 59                 | 65                                     | 14               | 138   |

<sup>1</sup> 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,<br>plant and<br>equipment<br>and<br>investment<br>properties | Intangible<br>assets | Receivable<br>impairments<br>and<br>provisions | Unabsorbed<br>tax losses,<br>capital<br>allowances<br>and<br>investment<br>tax<br>allowances | Right-of-use<br>assets and<br>lease<br>liabilities | Fair value<br>uplift of<br>inventories | Others | Total   |
|-------------------------------------------------|------------------------------------------------------------------------|----------------------|------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------|--------|---------|
| At 1 July 2024                                  | (244)                                                                  | (550)                | 565                                            | 297                                                                                          | (91)                                               | (71)                                   | 9      | (85)    |
| (Charged)/Credited to<br>profit or loss         | (89)                                                                   | 28                   | 44                                             | (14)                                                                                         | 35                                                 | 18                                     | (1)    | 21      |
| Charged to other<br>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<br>(before offsetting)      | 173                                                                    | -                    | 572                                            | 273                                                                                          | 89                                                 | -                                      | 103    | 1,210   |
| Deferred tax liabilities<br>(before offsetting) | (482)                                                                  | (467)                | -                                              | -                                                                                            | (152)                                              | (53)                                   | (88)   | (1,242) |
| Net deferred tax<br>(liabilities)/assets        | (309)                                                                  | (467)                | 572                                            | 273                                                                                          | (63)                                               | (53)                                   | 15     | (32)    |

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

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

|                              | Deferred<br>tax before<br>offsetting | Offsetting | Deferred<br>tax after<br>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)] | –                 | –                      | –                 | (–) <sup>1</sup>       |
|                                                 | 9                 | –                      | –                 | (–) <sup>1</sup>       |
| <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)]       | –                 | –                      | – <sup>1</sup>    | –                      |
|                                                 | 59                | (47)                   | 27                | (12)                   |
| Total                                           | 68                | (47)                   | 27                | (12)                   |

<sup>1</sup> 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<br>Maturities  |                                   |       | 2024<br>Maturities  |                                   |       |
|----------------------------------------------------------------------------------------------------|---------------------|-----------------------------------|-------|---------------------|-----------------------------------|-------|
|                                                                                                    | Less than<br>1 year | 1 year to<br>less than<br>3 years | Total | Less than<br>1 year | 1 year to<br>less than<br>3 years | Total |
| Forward contracts used to<br>hedge anticipated sales<br>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<br>hedge receivables and<br>financial assets at FVTPL<br>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<br>hedge inter-company<br>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<br>hedge anticipated<br>purchases denominated<br>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<br>Maturities  |                                   |       | 2024<br>Maturities  |                                   |       |
|-------------------------------------------------------------------------------------------|---------------------|-----------------------------------|-------|---------------------|-----------------------------------|-------|
|                                                                                           | Less than<br>1 year | 1 year to<br>less than<br>3 years | Total | Less than<br>1 year | 1 year to<br>less than<br>3 years | Total |
| Forward contracts used to<br>hedge payables and<br>commitments<br>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<br>hedge inventories where<br>the payment is<br>denominated in: |                     |                                   |       |                     |                                   |       |
| – United States Dollar                                                                    | 167                 | –                                 | 167   | 60                  | –                                 | 60    |
|                                                                                           | 167                 | –                                 | 167   | 60                  | –                                 | 60    |
| Forward contracts used to<br>hedge borrowings<br>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)/<br>assets                                                   | (3)                 | 9                                 | 6     | 16                  | (–) <sup>1</sup>                  | 16    |

<sup>1</sup> 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<br>amount<br>2025 | Fair value<br>assets<br>2025 | Notional<br>amount<br>2024 | Fair value<br>assets<br>2024 |
|--------------------|----------------------------|------------------------------|----------------------------|------------------------------|
| Maturity periods:  |                            |                              |                            |                              |
| – less than 1 year | –                          | –                            | 50                         | – <sup>1</sup>               |

<sup>1</sup> 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<br>amount<br>2025 | Fair value<br>assets<br>2025 | Notional<br>amount<br>2024 | Fair value<br>liabilities<br>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 <sup>1</sup>                               | 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 <sup>1</sup>                               | 5,384            | 5,918            | –              | –              |
| Amounts due from joint ventures                              | 6                | 5                | –              | –              |
| Amounts due from associates                                  | 67               | 181 <sup>3</sup> | –              | –              |
| 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 <sup>2</sup>                                        | 289              | 329              | – <sup>4</sup> | – <sup>4</sup> |
| Deposits                                                     | 137              | 135              | –              | –              |
|                                                              | 7,240            | 8,067            | – <sup>4</sup> | – <sup>4</sup> |
| Accumulated impairment losses:                               |                  |                  |                |                |
| – trade receivables                                          | (134)            | (171)            | –              | –              |
| – rebates from principals                                    | (–) <sup>4</sup> | (–) <sup>4</sup> | –              | –              |
| – other receivables                                          | (8)              | (11)             | –              | –              |
| Total receivables                                            | 7,098            | 7,885            | – <sup>4</sup> | – <sup>4</sup> |
| Indirect taxes recoverable                                   | 120              | 163              | –              | –              |
| Right to return assets                                       | 142              | 162              | –              | –              |
| Total receivables and other assets                           | 7,360            | 8,210            | – <sup>4</sup> | – <sup>4</sup> |
| Total non-current and current receivables (financial assets) | 7,258            | 8,034            | – <sup>4</sup> | – <sup>4</sup> |

<sup>1</sup> Mainly relates to revenue from contracts with customers.

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

<sup>3</sup> Includes dividends receivable of RM164 million.

<sup>4</sup> 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           |
|                                 | <b>12,106</b> | <b>14,739</b> |

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  |
|---------------------------------------------------------|-------|-------|
| <b>Contract assets</b>                                  |       |       |
| <u>Current</u>                                          |       |       |
| Engineering contracts [note (a)]                        | 232   | 95    |
| <b>Contract liabilities</b>                             |       |       |
| <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 | – <sup>1</sup> | – <sup>1</sup> |
| 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  | –              | –              |

<sup>1</sup> 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<br>Ferrari<br>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<br>(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   |
|----------------------------------------------|-----------------|---------------|-----------------|------------------|---------|
| <b>2025</b>                                  |                 |               |                 |                  |         |
| 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)   |
| <b>2024</b>                                  |                 |               |                 |                  |         |
| 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) | – <sup>1</sup>                     | (28)   | (28)  | – <sup>1</sup>                     | (20)   | (20)  |
| Total comprehensive income        | 218                                | 20     | 238   | 124                                | 40     | 164   |
| Net assets                        | 2,085                              | 875    | 2,960 | 2,047                              | 764    | 2,811 |

<sup>1</sup> 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                           | – <sup>1</sup> | – <sup>1</sup> |
| Total comprehensive income                           | 446            | 249            |
| Attributable to owners of non-controlling interests: |                |                |
| – Profit for the financial year                      | 218            | 124            |
| – Other comprehensive income                         | – <sup>1</sup> | – <sup>1</sup> |
| – Total comprehensive income                         | 218            | 124            |
| Dividends paid to non-controlling interests          | 180            | 92             |

<sup>1</sup> 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<br>% | 2024<br>% |
| 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 |
|-----------------------------|------------|----------------|----------|----------------|-------|
| <b>2025</b>                 |            |                |          |                |       |
| 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   |
| <b>2024</b>                 |            |                |          |                |       |
| 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          | – <sup>1</sup> | –        | – <sup>1</sup> | 1     |
| At 30 June 2024             | 504        | 6              | 224      | 24             | 758   |

<sup>1</sup> 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      | - <sup>1</sup> | -                                     | 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)  |

<sup>1</sup> 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     | – <sup>1</sup> | –                                     | 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                    | (–) <sup>1</sup> | 5       | – <sup>1</sup> | –                                     | 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)  |

<sup>1</sup> 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   | – <sup>1</sup> | 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    |

<sup>1</sup> 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 |
|---------------------------------------|-----------------------|-------------------------|-------|
| <b>2025</b>                           |                       |                         |       |
| 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 |
| <b>2024</b>                           |                       |                         |       |
| 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          | <b>46,453</b> | 50,813 | <b>13,403</b> | 13,905 |
| Tax assets/liabilities | <b>935</b>    | 1,009  | <b>1,070</b>  | 1,348  |
| Borrowings             | –             | –      | <b>7,122</b>  | 10,440 |
| Lease liabilities      | –             | –      | <b>2,448</b>  | 2,771  |
|                        | <b>47,388</b> | 51,822 | <b>24,043</b> | 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                 | <b>24,863</b> | 19,267 | <b>2,206</b> | 1,254 | <b>9,485</b>       | 9,493  |
| China <sup>1</sup>       | <b>15,322</b> | 17,597 | <b>(99)</b>  | (116) | <b>2,226</b>       | 2,751  |
| Other countries in Asia  | <b>10,868</b> | 8,204  | <b>305</b>   | 211   | <b>1,073</b>       | 1,165  |
| Australasia <sup>2</sup> | <b>19,008</b> | 22,064 | <b>1,180</b> | 1,409 | <b>9,155</b>       | 9,947  |
|                          | <b>70,061</b> | 67,132 | <b>3,592</b> | 2,758 | <b>21,939</b>      | 23,356 |

<sup>1</sup> China consists of Mainland China, Hong Kong, Macau and Taiwan.

<sup>2</sup> 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 | <b>21,939</b> | 23,356 |
| Financial assets at FVTPL                                          | <b>68</b>     | 73     |
| Deferred tax assets                                                | <b>797</b>    | 892    |
| Derivative assets                                                  | <b>9</b>      | –      |
| Receivables                                                        | <b>160</b>    | 149    |
|                                                                    | <b>22,973</b> | 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  |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|
| <b>a. Transactions with joint ventures and associates</b>                                                                                          |       |       |
| <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>b. Transactions between subsidiaries and non-controlling interests or their affiliate companies</b>                                             |       |       |
| <u>Continuing operations</u>                                                                                                                       |       |       |
| Contract assembly service provided by Inokom Corporation Sdn Bhd ("ICSB") to Mazda Malaysia Sdn Bhd ("Mazda Malaysia") <sup>1</sup>                | 84    | 124   |
| Contract assembly service provided by ICSB to Kia Malaysia Sdn Bhd ("Kia Malaysia") <sup>1</sup>                                                   | 18    | 36    |
| Rental income received by ICSB from Bermaz Auto Berhad group <sup>1</sup>                                                                          | 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   |

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

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

<sup>1</sup> 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>                       |       |       |
| <i>Continuing operations</i>                                                                                   |       |       |
| 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) |
| <i>Discontinued operations</i>                                                                                 |       |       |
| 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          |
|--------------------------------------|---------|----------------|---------|----------------|
| <b>2025</b>                          |         |                |         |                |
| <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             |
|                                      |         |                |         |                |
| <b>2024</b>                          |         |                |         |                |
| <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       | –       | – <sup>1</sup> | –       | – <sup>1</sup> |
|                                      | 1       | 92             | 88      | 181            |
| <u>Financial liabilities</u>         |         |                |         |                |
| Derivative liabilities               |         |                |         |                |
| – forward foreign exchange contracts | –       | 11             | –       | 11             |
| – embedded derivatives               | –       | 1              | –       | 1              |
|                                      | –       | 12             | –       | 12             |

<sup>1</sup> 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 |                                      |          |
| <b>2025</b>                      |                                                            |                  |                     |                   |        |                                      |          |
| 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)  |
| <b>2024</b>                      |                                                            |                  |                     |                   |        |                                      |          |
| 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                  | – <sup>1</sup>    | 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)  |

<sup>1</sup> 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 |
|-------------------------|--------|
| <b>2025</b>             |        |
| Profit after tax        |        |
| – Continuing operations | (47)   |
| <b>2024</b>             |        |
| 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  | – <sup>1</sup> | – <sup>1</sup> |
| 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  | –              | –              |

<sup>1</sup> 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<br>1 year | Between<br>1 and 2<br>years | Between<br>2 and 5<br>years | Above<br>5 years | Total<br>contractual<br>cash flows | Total<br>carrying<br>amount |
|------------------------|------------------|-----------------------------|-----------------------------|------------------|------------------------------------|-----------------------------|
| <b>2025</b>            |                  |                             |                             |                  |                                    |                             |
| 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     | – <sup>1</sup> | –     | –     | 12     | 12     |
| Payables               | 8,760  | 22             | 5     | 11    | 8,798  | 8,798  |
|                        | 14,815 | 1,119          | 1,518 | 2,740 | 20,192 | 19,250 |

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

| Company                                  | Within<br>1 year | Between<br>1 and 2<br>years | Between<br>2 and 5<br>years | Above<br>5 years | Total<br>contractual<br>cash flows | Total<br>carrying<br>amount |
|------------------------------------------|------------------|-----------------------------|-----------------------------|------------------|------------------------------------|-----------------------------|
| <b>2025</b>                              |                  |                             |                             |                  |                                    |                             |
| 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.

## 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

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

| Name of company                           | Country/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                                                                                           |
|-------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                           |                                                        | 2025                              | 2024  |          |                                                                                                                                                                                                                |
| Industrial – Subsidiaries                 |                                                        |                                   |       |          |                                                                                                                                                                                                                |
| Chubb Malaysia<br>Sendirian Berhad        | Malaysia                                               | 100.0                             | 100.0 | 1        | Marketing, installation, rental and<br>servicing of security products                                                                                                                                          |
| Sime Darby Electropack<br>Sdn Bhd         | Malaysia                                               | 100.0                             | 100.0 | 1        | Manufacturing and general assembly of<br>agricultural and industrial machinery                                                                                                                                 |
| Sime Darby Energy<br>Solutions Sdn Bhd    | Malaysia                                               | 100.0                             | 100.0 | 1        | Presales, sales, installation,<br>commissioning and post-sales<br>support of engineering and<br>technology solutions for oil and gas,<br>co-generation and renewable energy<br>industries                      |
| Sime Darby Industrial<br>Academy Sdn Bhd  | Malaysia                                               | 100.0                             | 100.0 | 1        | Conducting vocational training<br>programmes and activities                                                                                                                                                    |
| Sime Darby Industrial<br>Holdings Sdn Bhd | Malaysia                                               | 100.0                             | 100.0 | 1        | Investment holding                                                                                                                                                                                             |
| Sime Darby Industrial<br>Power Sdn Bhd    | Malaysia                                               | 91.2                              | 91.2  | 1        | Trading of heavy machinery and spare<br>parts and provision of after-sales<br>services                                                                                                                         |
| Sime Darby Industrial<br>Sdn Bhd          | Malaysia                                               | 100.0                             | 100.0 | 1        | Sale of equipment and spare parts and<br>service support for Caterpillar<br>business, other material handling<br>equipment and industrial cleaners,<br>and supply and installation of<br>co-generation systems |
| Sime Darby Joy<br>Industries Sdn Bhd      | Malaysia                                               | 100.0                             | 100.0 | 1        | Designing and manufacturing of heat<br>exchangers, radiators, process<br>equipment modules, filters and<br>separators for general as well as oil<br>and gas industries                                         |
| Sime Darby Material<br>Handling Sdn Bhd   | Malaysia                                               | 100.0                             | 100.0 | 1        | Sale and distribution of lift trucks and<br>spare parts, and the rental and<br>servicing of other material handling<br>equipment                                                                               |
| Sime Surveillance<br>Sdn Bhd              | Malaysia                                               | 100.0                             | 100.0 | 1        | Provision of security services                                                                                                                                                                                 |
| Site Technology Asia<br>Pacific Sdn Bhd   | Malaysia                                               | 100.0                             | 100.0 | 1        | Sales and services support of<br>technology hardware and software<br>for digital connected work site for<br>heavy and highway construction<br>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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                                                                                                                          |
|----------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                          |                                                        | 2025                              | 2024  |          |                                                                                                                                                                                                                                               |
| Industrial – Subsidiaries<br>(continued)                 |                                                        |                                   |       |          |                                                                                                                                                                                                                                               |
| Tractors Petroleum<br>Services Sdn Bhd                   | Malaysia                                               | 100.0                             | 100.0 | 1        | Supply, rental, repair and maintenance<br>of Caterpillar engines and other<br>equipment for the oil and gas<br>industry                                                                                                                       |
| Sime Darby Industrial (B)<br>Sdn Bhd                     | Brunei                                                 | 70.0                              | 70.0  | 3        | Sale of equipment, parts and service<br>support for the Caterpillar business,<br>assembly and marketing of<br>agricultural and industrial equipment<br>and implementation and distribution<br>of quarrying and road construction<br>equipment |
| Mecomb Singapore<br>Limited                              | Singapore                                              | 100.0                             | 100.0 | 2        | Manufacture, installation, import and<br>sale of industrial equipment and<br>components                                                                                                                                                       |
| Sime Darby Eastern<br>Investments Private<br>Limited     | Singapore                                              | 100.0                             | 100.0 | 2        | Investment holding                                                                                                                                                                                                                            |
| Sime Darby Eastern<br>Limited                            | Singapore                                              | 100.0                             | 100.0 | 2        |                                                                                                                                                                                                                                               |
| Sime Darby Energy<br>Pte Ltd                             | Singapore                                              | 100.0                             | 100.0 | 2        |                                                                                                                                                                                                                                               |
| Sime Darby Industrial<br>Singapore Pte Ltd               | Singapore                                              | 100.0                             | 100.0 | 2        |                                                                                                                                                                                                                                               |
| Tractors Machinery<br>International Pte Ltd              | Singapore                                              | 100.0                             | 100.0 | 2        | Sale, installation and service of marine<br>and other equipment and parts                                                                                                                                                                     |
| Tractors Singapore<br>Limited                            | Singapore                                              | 100.0                             | 100.0 | 2        | Sale, rental, service and assembly of<br>heavy equipment and spare parts                                                                                                                                                                      |
| Foshan Sime Darby Elco<br>Power Equipment<br>Limited     | China                                                  | 100.0                             | 100.0 | 2        | Distribution of Perkins engine products,<br>spare parts and provision of after-<br>sales services                                                                                                                                             |
| Guangzhou Sime Darby<br>Sitech Energy<br>Company Limited | China                                                  | 100.0                             | 100.0 | 3        | Sale, hire and servicing survey<br>equipment and sale of equipment<br>and spare parts and service support<br>for Perkins and FGW 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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                                                                                           |
|------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                      |                                                        | 2025                              | 2024  |          |                                                                                                                                                                                                                |
| Industrial – Subsidiaries<br>(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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                 |
|--------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|----------------------------------------------------------------------------------------------------------------------|
|                                                  |                                                        | 2025                              | 2024  |          |                                                                                                                      |
| Industrial – Subsidiaries<br>(continued)         |                                                        |                                   |       |          |                                                                                                                      |
| Austchrome Pty Ltd                               | Australia                                              | 100.0                             | 100.0 | 2        | Chroming and hydraulic repairs                                                                                       |
| Decoda Digital Services<br>Pty Ltd               | Australia                                              | 100.0                             | 100.0 | 2        | Supply of productivity improvement<br>services to the mining industry                                                |
| Hastings Deering<br>(Australia) Limited          | Australia                                              | 100.0                             | 100.0 | 2        | Sale, rental and servicing for Caterpillar<br>products, hardchroming and hydraulic<br>repair                         |
| Hastings Deering<br>Property Services<br>Pty Ltd | Australia                                              | 100.0                             | 100.0 | 4        | Leasing entity and effective lessee for<br>Hastings Deering (Australia) Limited's<br>core industrial property assets |
| Haynes Mechanical<br>Pty Ltd                     | Australia                                              | 100.0                             | 100.0 | 2        | Labour hire/contracting, sale of mining<br>machinery parts, service and repair<br>and crane hire                     |
| Heavy Maintenance<br>Group Pty Ltd               | Australia                                              | 100.0                             | 100.0 | 2        | Investment holding                                                                                                   |
| HMG Hardchrome<br>Pty Ltd                        | Australia                                              | 100.0                             | 100.0 | 2        | Manufacture, refurbishment and surface<br>finishing of equipment used in the<br>heavy industrial sector              |
| Onsite Rental Group<br>Limited                   | Australia                                              | 100.0                             | 100.0 | 2        | Investment holding                                                                                                   |
| Onsite Rental Group<br>Operations Pty Ltd        | Australia                                              | 100.0                             | 100.0 | 2        | Construction and mining equipment<br>rental business                                                                 |
| Prime Rentals Pty Ltd                            | Australia                                              | –                                 | 100.0 | 2        |                                                                                                                      |
| Salmon Earthmoving<br>Holdings Pty Ltd           | Australia                                              | 100.0                             | 100.0 | 2        | Rental and servicing of heavy<br>earthmoving equipment                                                               |
| Sime Darby Allied<br>Operations Pty Ltd          | Australia                                              | 100.0                             | 100.0 | 4        | Investment holding                                                                                                   |
| Sime Darby Industrial<br>Australia Pty Ltd       | Australia                                              | 100.0                             | 100.0 | 2        |                                                                                                                      |
| TFP Engineering Pty Ltd                          | Australia                                              | 100.0                             | 100.0 | 2        | Labour hire/contracting, services and<br>repair of mining machinery parts, as<br>well as the crane hire business     |
| Cavill Power Systems<br>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<br>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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                     |
|-----------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|------------------------------------------------------------------------------------------|
|                                                           |                                                        | 2025                              | 2024  |          |                                                                                          |
| Industrial – Subsidiaries<br>(continued)                  |                                                        |                                   |       |          |                                                                                          |
| Cobar Mining Services<br>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<br>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<br>Machinery Australasia<br>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<br>service support for the Caterpillar<br>business |
| SCI Sime Darby Invest<br>NC                               | New Caledonia                                          | 100.0                             | 100.0 | 4        | Property investment                                                                      |
| Sime Darby (NZ)<br>Holdings Limited                       | New Zealand                                            | 100.0                             | 100.0 | 2        | Investment holding                                                                       |
| Gough Group Limited                                       | New Zealand                                            | 100.0                             | 100.0 | 2        |                                                                                          |
| Sime Darby Industrial<br>(NZ) Holdings Limited            | New Zealand                                            | 100.0                             | 100.0 | 2        |                                                                                          |
| Sitech Construction NZ<br>Limited                         | New Zealand                                            | 67.7                              | 67.7  | 2        | Sale and servicing of Trimble<br>Technology technical construction<br>products           |
| Terra Industrial Finance<br>Limited                       | New Zealand                                            | 100.0                             | 100.0 | 2        | Whitelabel financing for the Caterpillar<br>dealership business                          |
| Terra Industrial New<br>Zealand Limited                   | New Zealand                                            | 100.0                             | 100.0 | 2        | Sale of equipment and spare parts and<br>service support for the Caterpillar<br>business |
| Hastings Deering (PNG)<br>Limited                         | Papua New<br>Guinea                                    | 100.0                             | 100.0 | 2        |                                                                                          |
| Hastings Deering<br>(Solomon Islands)<br>Limited          | Solomon<br>Islands                                     | 100.0                             | 100.0 | 3        |                                                                                          |
| Haynes Group (USA)<br>Holdings Inc.                       | United States<br>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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                                                                      |
|-----------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                               |                                                        | 2025                              | 2024  |          |                                                                                                                                                                                           |
| Industrial – Subsidiaries<br>(continued)      |                                                        |                                   |       |          |                                                                                                                                                                                           |
| Haynes Group (USA)<br>Holdings LLC.           | United States<br>of America                            | 100.0                             | 100.0 | 4        | Provision of a patented hydraulic<br>jacking system for the maintenance<br>of slew bearing in electric rope and<br>hydraulic mining shovels                                               |
| Industrial – Joint<br>ventures                |                                                        |                                   |       |          |                                                                                                                                                                                           |
| Terberg Tractors<br>Malaysia Sdn Bhd<br>group | Malaysia                                               | 50.0                              | 50.0  | 1        | Marketing, distributing and servicing of<br>Terberg terminal tractors and<br>investment holding                                                                                           |
| Mine Energy Holdings<br>Pty Ltd group         | Australia                                              | 50.0                              | 50.0  | 2        | Service provider for end-to-end energy<br>solution to the mobile mining<br>industry                                                                                                       |
| Industrial – Associates                       |                                                        |                                   |       |          |                                                                                                                                                                                           |
| Kubota Malaysia Sdn<br>Bhd                    | Malaysia                                               | 40.0                              | 40.0  | 1        | Distribution, rental and provision of<br>support services of a wide range of<br>light equipment and related spares<br>for use in the agricultural,<br>construction and industrial sectors |
| Gas Malaysia Synergy<br>Drive Sdn Bhd         | Malaysia                                               | 30.0                              | 30.0  | 1        | Sale and supply of electricity, steam,<br>chilled water, hot water, hot air and/<br>or other utilities to customers                                                                       |
| Chubb Singapore Private<br>Limited group      | Singapore                                              | –                                 | 30.0  | 2        | Assembly and sale of security and fire<br>protection products and provision of<br>related security services                                                                               |
| FG Wilson Asia Pte Ltd                        | Singapore                                              | 50.0                              | 50.0  | 2        | Sale, servicing and/or assembly of<br>industrial machinery and equipment                                                                                                                  |
| Energy Power Systems<br>Australia Pty Ltd     | Australia                                              | 40.0                              | 40.0  | 2        | Distribution and rental of Caterpillar<br>engine and associated products                                                                                                                  |
| Sitech Construction<br>Systems Pty Ltd        | Australia                                              | 34.0                              | 34.0  | 3        | Sale and servicing of Trimble<br>Technology construction products                                                                                                                         |
| IR4 Pty Ltd                                   | Australia                                              | 30.4                              | 30.4  | 4        | Supplier of end to end automation<br>solutions for heavy manufacturing<br>and engineering industries                                                                                      |
| Ultimate Positioning<br>Group Pty Ltd         | Australia                                              | 32.7                              | 32.7  | 3        | Sale, hire and servicing of Trimble<br>surveying equipment                                                                                                                                |
| Buildingpoint New<br>Zealand Limited          | New Zealand                                            | 49.0                              | 49.0  | 2        | Distribution of Trimble hardware and<br>software for the building and<br>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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                                                             |
|----------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                        |                                                        | 2025                              | 2024  |          |                                                                                                                                                                                  |
| Industrial – Associates<br>(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/<br>territory of<br>business/<br>incorporation | Group’s effective<br>interest (%) |       | Auditors | Principal activities                                                                                         |
|---------------------------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|--------------------------------------------------------------------------------------------------------------|
|                                                                                                   |                                                        | 2025                              | 2024  |          |                                                                                                              |
| Motors – Subsidiaries<br>(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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                               |
|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|----------------------------------------------------------------------------------------------------|
|                                                                                                         |                                                        | 2025                              | 2024  |          |                                                                                                    |
| Motors – Subsidiaries<br>(continued)                                                                    |                                                        |                                   |       |          |                                                                                                    |
| Sime Darby Swedish<br>Auto Sdn Bhd                                                                      | Malaysia                                               | 100.0                             | 100.0 | 1        | Retail of motor vehicles, spare parts<br>and accessories and provision of<br>after-sales services  |
| Sime Performance<br>Motors Sdn Bhd                                                                      | Malaysia                                               | 80.0                              | –     | 1        | Retail of motor vehicles, spare parts<br>and accessories, and provision of<br>after-sales services |
| Europe Automobiles<br>Corporation Holdings<br>Pte Ltd                                                   | Singapore                                              | 100.0                             | 100.0 | 2        | Investment holding                                                                                 |
| Performance Motors<br>Indonesia Pte Ltd                                                                 | Singapore                                              | 60.0                              | 60.0  | 2        |                                                                                                    |
| Performance Motors<br>Limited                                                                           | Singapore                                              | 100.0                             | 100.0 | 2        | Motor vehicles dealership                                                                          |
| Performance Munich<br>Autos Pte Ltd                                                                     | Singapore                                              | 60.0                              | 60.0  | 2        |                                                                                                    |
| Sime Darby Auto<br>Selection Limited<br>(formerly known as<br>Performance Premium<br>Selection Limited) | Singapore                                              | 100.0                             | 100.0 | 2        | Used cars retailer, wholesaler and<br>exporter                                                     |
| Sime Darby Motor<br>Holdings Limited                                                                    | Singapore                                              | 100.0                             | 100.0 | 2        | Investment holding and provision of<br>corporate services to group entities                        |
| Sime Darby Services<br>Private Limited                                                                  | Singapore                                              | 100.0                             | 100.0 | 2        | Rental of motor vehicles                                                                           |
| Sime Darby Singapore<br>Limited                                                                         | Singapore                                              | 100.0                             | 100.0 | 2        | General insurance agency business                                                                  |
| Sime Singapore Limited                                                                                  | Singapore                                              | 100.0                             | 100.0 | 2        | Investment holding                                                                                 |
| Vantage Automotive<br>Limited                                                                           | Singapore                                              | 100.0                             | 100.0 | 2        | Motor vehicles dealership                                                                          |
| PT Performance Motors<br>Indonesia                                                                      | Indonesia                                              | 60.0                              | 60.0  | 2        | Operates BMW and MINI dealership<br>businesses                                                     |
| PT Performance Auto<br>Selection                                                                        | Indonesia                                              | 60.0                              | –     | 2        | Retail of used cars, parts and<br>accessories                                                      |
| Performance Motors<br>(Thailand) Limited                                                                | Thailand                                               | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>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/<br>territory of<br>business/<br>incorporation | Group’s effective<br>interest (%) |       | Auditors | Principal activities                                                                           |
|-------------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|------------------------------------------------------------------------------------------------|
|                                                                                     |                                                        | 2025                              | 2024  |          |                                                                                                |
| Motors – Subsidiaries<br>(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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                     |
|--------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|----------------------------------------------------------------------------------------------------------|
| Name of company                                                                |                                                        | 2025                              | 2024  |          |                                                                                                          |
| Motors – Subsidiaries<br>(continued)                                           |                                                        |                                   |       |          |                                                                                                          |
| Chengdu Bow Yue<br>Vehicle Company Ltd                                         | China                                                  | 100.0                             | 100.0 | 2        | Investment holding, retail of motor<br>vehicles and spare parts and<br>provision of after-sales services |
| Chongqing Bow Chuang<br>Motor Sales & Services<br>Co Ltd                       | China                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>services                     |
| Chongqing Sime Darby<br>Motor Sales and<br>Services Company<br>Limited         | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                          |
| Chongqing Yue Zhi Bow<br>Motors Sales and<br>Services Company<br>Limited       | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                          |
| Dali Bow Yue Motors<br>Sales and Services<br>Company Limited                   | China                                                  | 65.0                              | 65.0  | 2        |                                                                                                          |
| Dongguan Chuang Yi<br>Motor Sales and<br>Services Limited<br>Company           | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                          |
| Foshan Bow Chuang<br>Motors Sales and<br>Services Company<br>Limited           | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                          |
| Foshan Sime Darby Used<br>Cars Sales Company<br>Limited                        | China                                                  | 100.0                             | 100.0 | 2        | Retail of used cars and provision of<br>related services                                                 |
| Guangdong Bow Yue<br>Motors Sales and<br>Services Company<br>Limited           | China                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>services                     |
| Guangzhou Bow Yue<br>Vehicle Trading Co Ltd                                    | China                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts                                                              |
| Guangzhou Sime Darby<br>Fu Yue Motors Sales<br>and Services Company<br>Limited | China                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>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)

|                                                                     | Country/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       |          |                                                                                                |
|---------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|------------------------------------------------------------------------------------------------|
| Name of company                                                     |                                                        | 2025                              | 2024  | Auditors | Principal activities                                                                           |
| Motors – Subsidiaries<br>(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                                                |

## 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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                    |
|-----------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|---------------------------------------------------------------------------------------------------------|
|                                                                                   |                                                        | 2025                              | 2024  |          |                                                                                                         |
| Motors – Subsidiaries<br>(continued)                                              |                                                        |                                   |       |          |                                                                                                         |
| Shanghai Sime Darby<br>Motor Sales and<br>Services Co Ltd                         | China                                                  | 60.0                              | 60.0  | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>services                    |
| Shanghai Sime Darby<br>Motor Trading Co., Ltd                                     | China                                                  | 60.0                              | 60.0  | 2        |                                                                                                         |
| Shanghai Sime Darby<br>Motor Enterprises Co.,<br>Ltd                              | China                                                  | 60.0                              | 60.0  | 2        |                                                                                                         |
| Shanghai Yue Zhi Bow<br>Motors Sales and<br>Services Company<br>Limited           | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                         |
| Shantou Bow Yue<br>Dehong Motors<br>Services Co Ltd                               | China                                                  | 100.0                             | 100.0 | 2        | Retail of spare parts and provision of<br>after-sales services for motor vehicles                       |
| Shantou Bow Yue Vehicle<br>Trading Co Ltd                                         | China                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts                                                             |
| Shenzhen Bow Chuang<br>Vehicle Trading Co Ltd<br>China                            | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                         |
| Shenzhen Bow Chuang<br>Sime Darby Motors<br>Sales and Services<br>Company Limited | China                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>services for motor vehicles |
| Shenzhen Bow Yue<br>Motors Sales &<br>Services Company<br>Limited                 | China                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>services                    |
| Shenzhen Sime Darby<br>Chen Yue Motors<br>Sales and Services<br>Company Limited   | China                                                  | 100.0                             | 100.0 | 2        | Retail agent of motor vehicles and<br>retail of spare parts and provision of<br>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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                     |
|---------------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|----------------------------------------------------------------------------------------------------------|
|                                                                                       |                                                        | 2025                              | 2024  |          |                                                                                                          |
| Motors – Subsidiaries<br>(continued)                                                  |                                                        |                                   |       |          |                                                                                                          |
| Shenzhen Sime Darby Fu<br>Yue Motors Sales and<br>Services Company<br>Limited         | China                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>services                     |
| Shenzhen Sime Darby<br>New Energy Vehicles<br>Sales and Services<br>Company Limited   | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                          |
| Shenzhen Sime Darby Qi<br>Chuang Motors Sales<br>and Services Company<br>Limited      | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                          |
| Shenzhen Sime Darby Qi<br>Yue Motors Sales and<br>Services Company<br>Limited         | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                          |
| Shenzhen Sime Darby<br>Used Cars Centre<br>Company Limited                            | China                                                  | 100.0                             | 100.0 | 2        | Retail of used cars and provision of<br>related services                                                 |
| Shenzhen Sime Darby<br>Zhi Yue Motors Sales<br>and Services Company<br>Limited        | China                                                  | 100.0                             | 100.0 | 2        | Retail agent of motor vehicles and<br>retail of spare parts and provision of<br>after-sales services     |
| Sime Darby Greater<br>China Enterprise<br>Management<br>(Shenzhen) Company<br>Limited | China                                                  | 100.0                             | 100.0 | 2        | Provision of consultation services to<br>Sime Darby Motors China group of<br>companies                   |
| Tianjin Sime Darby<br>Chuang Jie Motors<br>Sales and Services<br>Company Limited      | China                                                  | 100.0                             | 100.0 | 2        | Retail agent of motor vehicles and<br>retail of spare parts and provision of<br>after-sales services     |
| Yunnan Bow Yue Vehicle<br>Trading Co Ltd                                              | China                                                  | 65.0                              | 65.0  | 2        | Investment holding, retail of motor<br>vehicles and spare parts and<br>provision of after-sales 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/<br>territory of<br>business/<br>incorporation | Group’s effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                 |
|-------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|--------------------------------------------------------------------------------------------------------------------------------------|
| Name of company                                                               |                                                        | 2025                              | 2024  |          |                                                                                                                                      |
| Motors – Subsidiaries<br>(continued)                                          |                                                        |                                   |       |          |                                                                                                                                      |
| Yunnan Dekai Bow Ma<br>Motors Technology &<br>Service Co Ltd                  | China                                                  | 65.0                              | 65.0  | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>services                                                 |
| Zhongshan Sime Darby<br>Qi Yue Motor Sales<br>and Services Company<br>Limited | China                                                  | 100.0                             | 100.0 | 2        |                                                                                                                                      |
| BMW Concessionaires<br>(HK) Limited                                           | Hong Kong                                              | 100.0                             | 100.0 | 2        | Investment holding, distribution and<br>retail of motor vehicles, provision of<br>after-sales services and leasing motor<br>vehicles |
| Bow Ma Motors (South<br>China) Limited                                        | Hong Kong                                              | 100.0                             | 100.0 | 2        | Investment holding, leasing of motor<br>vehicles and provision of electric<br>vehicle charging service                               |
| Goodwood Motors<br>Limited                                                    | Hong Kong                                              | 100.0                             | 100.0 | 2        | Distribution and retail of motor vehicles<br>and spare parts and provision of<br>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<br>Motors (Hong Kong)<br>Limited                        | Hong Kong                                              | 100.0                             | 100.0 | 2        |                                                                                                                                      |
| Sime Darby Hoi Shing<br>Motors (Hong Kong)<br>Limited                         | Hong Kong                                              | 65.0                              | 65.0  | 2        |                                                                                                                                      |
| Sime Darby Hongkong<br>Finance Limited                                        | Hong Kong                                              | 100.0                             | 100.0 | 2        | Provision of intra-group financial<br>services                                                                                       |
| Sime Darby Insurance<br>Brokers (Hong Kong)<br>Limited                        | Hong Kong                                              | 100.0                             | 100.0 | 2        | Insurance brokers                                                                                                                    |
| Sime Darby Kai Yuet<br>Motors (Hong Kong)<br>Limited                          | Hong Kong                                              | 100.0                             | 100.0 | 2        | Investment holding                                                                                                                   |
| Sime Darby Managing<br>Agency (Hong Kong)<br>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)

| Name of company                                      | Country/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                                         |
|------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                      |                                                        | 2025                              | 2024  |          |                                                                                                                                                              |
| Motors – Subsidiaries<br>(continued)                 |                                                        |                                   |       |          |                                                                                                                                                              |
| Sime Darby Motor Group<br>(HK) Limited               | Hong Kong                                              | 100.0                             | 100.0 | 2        | Investment holding                                                                                                                                           |
| Sime Darby Motor Group<br>(PRC) Limited              | Hong Kong                                              | 100.0                             | 100.0 | 2        |                                                                                                                                                              |
| Sime Darby Motor<br>Services Limited                 | Hong Kong                                              | 100.0                             | 100.0 | 2        | Investment holding, distribution and<br>retail of motor vehicles and spare<br>parts, after-sales services,<br>management services and property<br>investment |
| Sime Darby Peng Yue<br>Motors (Hong Kong)<br>Limited | Hong Kong                                              | 100.0                             | 100.0 | 2        | Importation, distribution and retail of<br>motor vehicles and provision of<br>after-sales services                                                           |
| Universal Automobile<br>Company Limited              | Hong Kong                                              | 100.0                             | 100.0 | 2        | Distribution and retail of motor vehicles<br>and spare parts and provision of<br>after-sales services and leasing of<br>motor vehicles                       |
| Universal Cars<br>(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<br>and spare parts and provision of<br>after-sales services                                                        |
| Wallace Harper &<br>Company Limited                  | Hong Kong                                              | 100.0                             | 100.0 | 2        | Holder of car testing licence                                                                                                                                |
| Wallace Harper Motors<br>Company Limited             | Hong Kong                                              | 100.0                             | 100.0 | 2        | Distribution, retail of motor vehicles<br>and spare parts and provision of<br>after-sales services and leasing of<br>motor vehicles                          |
| Warwick Motors Limited                               | Hong Kong                                              | 100.0                             | 100.0 | 2        | Investment holding                                                                                                                                           |
| BMW Concessionaires<br>(Macau) Limited               | Macau                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts, provision of after-sales services<br>and investment holding                                                     |
| Harper Engineering<br>(Macau) Limited                | Macau                                                  | 100.0                             | 100.0 | 2        | Retail of motor vehicles and spare<br>parts and provision of after-sales<br>services                                                                         |
| Sime Darby Auto Kia Co<br>Ltd                        | Taiwan                                                 | 100.0                             | 100.0 | 2        | Wholesale and retail of vehicles, spare<br>parts and accessories and repairs and<br>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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                            |
|---------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                         |                                                        | 2025                              | 2024  |          |                                                                                                                                                 |
| Motors – Subsidiaries<br>(continued)                    |                                                        |                                   |       |          |                                                                                                                                                 |
| Sime Darby Kia Taiwan<br>Co Ltd                         | Taiwan                                                 | 100.0                             | 100.0 | 2        | Importation and wholesale of vehicles,<br>parts and accessories, repairs and<br>maintenance of vehicles and other<br>automotive services        |
| Brisbane BMW Bodyshop<br>Pty Ltd                        | Australia                                              | 100.0                             | 100.0 | 2        | Operates the business of BMW parts,<br>panels and accessories                                                                                   |
| Brisbane BMW Unit Trust                                 | Australia                                              | 100.0                             | 100.0 | 2        | Owns BMW, MINI, Volvo, Ferrari and<br>Rolls-Royce motor dealerships                                                                             |
| LMM Holdings Pty Ltd                                    | Australia                                              | 100.0                             | 100.0 | 2        | Operates Brisbane BMW Unit Trust's<br>BMW, MINI, Volvo, Ferrari and<br>Rolls-Royce motor dealerships                                            |
| Sime Darby Automobiles<br>Pty Ltd                       | Australia                                              | 100.0                             | 100.0 | 2        | Investment holding in retail dealership<br>property                                                                                             |
| Sime Darby Fleet<br>Services Pty Ltd                    | Australia                                              | 100.0                             | 100.0 | 2        | Vehicle rental and related mechanical<br>services                                                                                               |
| Sime Darby Motors<br>Group (Australia) Pty<br>Limited   | Australia                                              | 100.0                             | 100.0 | 2        | Investment holding and provision of<br>management services                                                                                      |
| Sime Darby Motors<br>Retail Australia Pty<br>Limited    | Australia                                              | 100.0                             | 100.0 | 2        | Retail of motor vehicles and provision<br>of after-sales services                                                                               |
| Sime Darby Motors<br>Wholesale Australia<br>Pty Limited | Australia                                              | 100.0                             | 100.0 | 2        | Investment holding and vehicle rental<br>services                                                                                               |
| Sime Darby Transport<br>Holdings Australia<br>Pty Ltd   | Australia                                              | 100.0                             | 100.0 | 2        | Investment holding                                                                                                                              |
| Transport Engineering<br>Solutions Pty Limited          | Australia                                              | 100.0                             | 100.0 | 2        | Design, supply and installation of<br>transportation and related equipment                                                                      |
| Continental Car Services<br>Limited                     | New Zealand                                            | 100.0                             | 100.0 | 2        | Retail of new and used passenger cars<br>and light commercial vehicles, spare<br>parts and accessories and provision<br>of after-sales services |
| Hino Distributors (NZ)<br>Limited                       | New Zealand                                            | 100.0                             | 100.0 | 2        | Distribution and retail of trucks                                                                                                               |
| Motor Truck Distributors<br>(NZ) Limited                | New Zealand                                            | 100.0                             | 100.0 | 2        | Distribution and retail of trucks and<br>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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                 |
|------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|------------------------------------------------------------------------------------------------------|
|                                          |                                                        | 2025                              | 2024  |          |                                                                                                      |
| Motors – Subsidiaries<br>(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/<br>territory of<br>business/<br>incorporation | Group's effective<br>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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                               |                                                        | 2025                              | 2024  |          |                                                                                                                                                                                                                                                                                       |
| UMW – Subsidiaries<br>(continued)                                             |                                                        |                                   |       |          |                                                                                                                                                                                                                                                                                       |
| UMW Holdings Berhad                                                           | Malaysia                                               | 100.0                             | 100.0 | 1        | Investment holding                                                                                                                                                                                                                                                                    |
| UMW India Ventures (L)<br>Ltd.                                                | Malaysia                                               | 75.0                              | 75.0  | 1        | Investment holding                                                                                                                                                                                                                                                                    |
| UMW Industrial Power<br>Services Sdn Bhd                                      | Malaysia                                               | 100.0                             | 100.0 | 1        | Total power solution provider                                                                                                                                                                                                                                                         |
| UMW Industries (1985)<br>Sdn. Bhd.                                            | Malaysia                                               | 51.0                              | 74.0  | 1        | Trading and hiring of industrial and<br>material handling equipment and<br>related spares                                                                                                                                                                                             |
| UMW Services Sdn. Bhd.<br>(formerly known as<br>UMW IT Services<br>Sdn. Bhd.) | Malaysia                                               | 100.0                             | 100.0 | 1        | Provision of consultancy services,<br>shared business services and support,<br>support services and any other types<br>of services in any field including but<br>not limited in relation to finance,<br>information technology, human<br>resources, procurement and<br>administration |
| UMW Komatsu Heavy<br>Equipment Sdn. Bhd.                                      | Malaysia                                               | –                                 | 74.0  | 3        | Provision of management support and<br>provides consultancy services to its<br>subsidiaries                                                                                                                                                                                           |
| UMW Land Sdn Bhd                                                              | Malaysia                                               | 100.0                             | 100.0 | 1        | Investment holding and property<br>development                                                                                                                                                                                                                                        |
| UMW Lubetech<br>Sdn. Bhd. (formerly<br>known as Lubetech<br>Sdn. Bhd.)        | Malaysia                                               | 100.0                             | 100.0 | 1        | Blending and packaging of lubricants,<br>retail of auto components and other<br>manufacturing                                                                                                                                                                                         |
| UMW M&E Sdn. Bhd.                                                             | Malaysia                                               | 100.0                             | 100.0 | 1        | Manufacturing and trading of filtration<br>products and auto components                                                                                                                                                                                                               |
| UMW Pennzoil<br>Distributors Sdn. Bhd.                                        | Malaysia                                               | 100.0                             | 100.0 | 1        | Marketing, selling and distribution of<br>“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<br>engineering services for the oil and<br>gas industry and leasing of drilling<br>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/<br>territory of<br>business/<br>incorporation | Group's effective<br>interest (%) |       | Auditors | Principal activities                                                                                                                                                                                                                                                   |
|----------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                          |                                                        | 2025                              | 2024  |          |                                                                                                                                                                                                                                                                        |
| UMW – Subsidiaries<br>(continued)                        |                                                        |                                   |       |          |                                                                                                                                                                                                                                                                        |
| UMW Toyota Material<br>Handling Sdn. Bhd.                | Malaysia                                               | 51.0                              | 74.0  | 1        | Investment holding and the provision<br>of management support for material<br>handling business and consultancy<br>services to its subsidiaries                                                                                                                        |
| UMW Toyota Motor<br>Sdn. Bhd.                            | Malaysia                                               | 51.0                              | 51.0  | 1        | Manufacturer and assembly of motor<br>vehicles and other related activities<br>and renting and leasing of motor<br>vehicles. In addition, UMWT provides<br>administrative, professional and<br>financial services support to the<br>subsidiaries within the UMWT group |
| UMW Industrial<br>Equipment (Shanghai)<br>Co. Ltd.       | China                                                  | 51.0                              | 74.0  | 3        | Marketing of industrial equipment and<br>provision of after-sales and repair<br>services for equipment rental and<br>industrial equipment                                                                                                                              |
| UMW Industrial Trading<br>(Shanghai) Co. Ltd.            | China                                                  | 51.0                              | 74.0  | 3        | Marketing of Toyota industrial<br>equipment, Aerex and other airport<br>ground support equipment and<br>environmental products                                                                                                                                         |
| Vision Fleet Equipment<br>Leasing (Zhejiang) Co.<br>Ltd. | China                                                  | 51.0                              | 74.0  | 3        | Rental and fleet management services<br>mainly for products distributed by<br>the UMW group in China                                                                                                                                                                   |
| Lubritech Limited                                        | China                                                  | 60.0                              | –     | 3        | Produce and distribute lubricants,<br>import, export and wholesale of<br>lubricants and grease as well as<br>warehousing and provision of logistic<br>services                                                                                                         |
| Lubritech International<br>Holdings Limited              | Hong Kong                                              | 60.0                              | –     | 3        | Production and distribution of<br>lubricants and related activities                                                                                                                                                                                                    |
| Jaybee Drilling Private<br>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<br>equipment                                                                                                                                                                                                                          |
| UMW Engineering<br>Services Limited                      | Myanmar                                                | –                                 | 74.0  | 3        | Provision of after-sales services for<br>equipment and maintenance and<br>repair of equipment                                                                                                                                                                          |
| UMW Niugini Limited                                      | Papua New<br>Guinea                                    | –                                 | 75.5  | 3        | Trading and hiring of industrial and<br>material handling equipment and<br>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/<br>territory of<br>business/<br>incorporation | Group’s effective<br>interest (%) |                   | Auditors | Principal activities                                                                                                                                                |
|------------------------------------------------------------|--------------------------------------------------------|-----------------------------------|-------------------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                            |                                                        | 2025                              | 2024              |          |                                                                                                                                                                     |
| UMW – Subsidiaries<br>(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 <sup>+</sup> | 3        | Production and distribution of lubricants and related activities                                                                                                    |
| Lubritech Limited                                          | China                                                  | –                                 | 60.0 <sup>+</sup> | 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 UMWT, 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)

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

<sup>1</sup> – audited by PricewaterhouseCoopers PLT Malaysia.

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

<sup>3</sup> – audited by firms other than member firms of PricewaterhouseCoopers International Limited.

<sup>4</sup> – no legal requirement to appoint auditors or auditors yet to be appointed.

<sup>+</sup> – 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.

<sup>\*</sup> – 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.

<sup>®</sup> – 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 <sup>1</sup> |
| 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             |
| <b>Total</b>                              | <b>43,265</b>       | <b>100.00</b> | <b>6,815,597,577</b> | <b>100.00</b>     |

**Note:**

<sup>1</sup> 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 <sup>1</sup> | 105,275              | 0.00 <sup>1</sup> |
| Trustee                                | 0                   | 0.00              | 0                    | 0.00              |
| <b>Total</b>                           | <b>43,265</b>       | <b>100.00</b>     | <b>6,815,597,577</b> | <b>100.00</b>     |

**Note:**

<sup>1</sup> 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<br>Amanah Saham Bumiputera                                                                                           | 2,494,858,200      | 36.61 |
| 2.  | Citigroup Nominees (Tempatan) Sdn Bhd<br>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<br>Employees Provident Fund Board (Islamic)                                                               | 278,624,713        | 4.09  |
| 6.  | AmanahRaya Trustees Berhad<br>Amanah Saham Malaysia                                                                                             | 102,000,000        | 1.50  |
| 7.  | Citigroup Nominees (Tempatan) Sdn Bhd<br>Employees Provident Fund Board (AHAM AM)                                                               | 80,013,200         | 1.17  |
| 8.  | AmanahRaya Trustees Berhad<br>Amanah Saham Malaysia 3                                                                                           | 79,596,000         | 1.17  |
| 9.  | Citigroup Nominees (Tempatan) Sdn Bhd<br>Employees Provident Fund Board (ASIANISLAMIC)                                                          | 59,507,500         | 0.87  |
| 10. | HSBC Nominees (Asing) Sdn Bhd<br>JPMCB NA for Vanguard Total International Stock Index Fund                                                     | 57,757,474         | 0.85  |
| 11. | HSBC Nominees (Asing) Sdn Bhd<br>JPMCB NA for Vanguard Emerging Markets Stock Index Fund                                                        | 53,600,336         | 0.79  |
| 12. | Citigroup Nominees (Asing) Sdn Bhd<br>UBS AG                                                                                                    | 53,281,998         | 0.78  |
| 13. | AmanahRaya Trustees Berhad<br>Amanah Saham Bumiputera 2                                                                                         | 52,000,000         | 0.76  |
| 14. | HSBC Nominees (Asing) Sdn Bhd<br>HSBC BK PLC for Kuwait Investment Office (KIO)                                                                 | 51,967,200         | 0.76  |
| 15. | Citigroup Nominees (Tempatan) Sdn Bhd<br>Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)                                                 | 47,816,649         | 0.70  |
| 16. | AmanahRaya Trustees Berhad<br>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<br>Exempt AN for State Street Bank & Trust Company (West CLT OD67)                                        | 32,184,300         | 0.47  |
| 19. | Citigroup Nominees (Tempatan) Sdn Bhd<br>Employees Provident Fund Board (CGS CIMB)                                                              | 32,077,000         | 0.47  |
| 20. | HSBC Nominees (Asing) Sdn Bhd<br>JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International<br>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<br>Amanah Saham Bumiputera 3 – Didik                                              | 30,184,100         | 0.44 |
| 22. | Cartaban Nominees (Asing) Sdn Bhd<br>Exempt AN for Barclays Capital Securities Ltd (SBL/PB)                  | 28,897,785         | 0.42 |
| 23. | Citigroup Nominees (Asing) Sdn Bhd<br>CBNY for Norges Bank (FI 17)                                           | 27,185,584         | 0.40 |
| 24. | Citigroup Nominees (Tempatan) Sdn Bhd<br>Employees Provident Fund Board (BNP NAJMAH EQ)                      | 22,976,900         | 0.34 |
| 25. | Maybank Nominees (Asing) Sdn Bhd<br>Nomura Singapore Limited for NTS-Asia Property Holdings Limited (419909) | 21,421,000         | 0.31 |
| 26. | Hong Leong Assurance Berhad<br>As Beneficial Owner (Life PAR)                                                | 19,182,531         | 0.28 |
| 27. | Citigroup Nominees (Tempatan) Sdn Bhd<br>Great Eastern Life Assurance (Malaysia) Berhad (PAR 3)              | 19,057,202         | 0.28 |
| 28. | Citigroup Nominees (Tempatan) Sdn Bhd<br>Great Eastern Life Assurance (Malaysia) Berhad (NON PAR 16)         | 19,000,000         | 0.28 |
| 29. | Cartaban Nominees (Tempatan) Sdn Bhd<br>PBTB for Takafulink Dana Ekuiti                                      | 18,339,788         | 0.27 |
| 30. | Citigroup Nominees (Tempatan) Sdn Bhd<br>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<br>– 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<br>(Diperbadankan)              | 415,108,249                          | 6.09  | 48,934,700                                    | 0.72 |



## TOP 10 PROPERTIES OF THE GROUP\*

| No. | Location                                                                                        | Tenure                                 | Land area<br>(Hectares) | Year of<br>acquisition | Age of<br>building<br>(Years) | Description                                                                | Net book<br>value<br>(RM<br>million) |
|-----|-------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------|------------------------|-------------------------------|----------------------------------------------------------------------------|--------------------------------------|
| 1.  | No 1, Jalan Keluli 2/KU 2,<br>Kawasan Perindustrian<br>Bukit Raja, Klang, Selangor,<br>Malaysia | Freehold                               | 67                      | 2023                   | 8-14                          | Plant, office and<br>factory buildings                                     | 1,270                                |
| 2.  | Sime Darby Motors City,<br>Ara Damansara, Selangor,<br>Malaysia                                 | Freehold                               | 14                      | 2014-2018              | 6-8                           | Office buildings,<br>showrooms and<br>workshops                            | 593                                  |
| 3.  | Persiaran Selangor,<br>Shah Alam, Selangor,<br>Malaysia                                         | Leasehold<br>expiring<br>2070          | 13                      | 2023                   | 55-58                         | Office and<br>factory buildings                                            | 215                                  |
| 4.  | Lot 68, Broadsound Road,<br>Hastings Park, Paget,<br>Mackay, Queensland,<br>Australia           | Freehold                               | 5                       | 2013                   | –                             | Land with<br>building under<br>construction                                | 173                                  |
| 5.  | Lot 29138, Mukim Serendah,<br>Hulu Selangor, Selangor,<br>Malaysia                              | Leasehold<br>expiring<br>2067,<br>2094 | 52                      | 2023                   | 9                             | Land, office,<br>training facilities<br>and workshop                       | 162                                  |
| 6.  | Lot 38, Mukim Padang Meha,<br>Padang Serai Kulim, Kedah,<br>Malaysia                            | Freehold                               | 78                      | 2004                   | 26                            | Assembly plant                                                             | 152                                  |
| 7.  | 589 Grand Junction Road,<br>Gepps Cross,<br>South Australia, Australia                          | Freehold                               | 6                       | 2012                   | 13                            | Office,<br>warehouse,<br>service centre<br>and land                        | 134                                  |
| 8.  | 800 Ann Street,<br>Fortitude Valley, Brisbane,<br>Queensland, Australia                         | Freehold                               | 1                       | 2014                   | 19                            | Offices,<br>showrooms and<br>workshops                                     | 134                                  |
| 9.  | Sime Darby Performance<br>Centre, 303 Alexandra<br>Road, Singapore                              | Leasehold<br>expiring<br>2047          | 8                       | 2005                   | 15                            | 4S centre                                                                  | 111                                  |
| 10. | 40-42 Caterpillar Drive,<br>Paget, Mackay,<br>Queensland, Australia                             | Freehold                               | 8                       | 2007-2008              | 16                            | Commercial<br>office, training<br>facilities,<br>workshop and<br>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 <sup>1</sup><br>380,000 <sup>2</sup> |
| • 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:**

<sup>1</sup> Fee for Resident Director

<sup>2</sup> Fee for Non-Resident Director

## NOTICE OF ANNUAL GENERAL MEETING

- (ii) The benefits payable for the NEDs comprising the following:
- (a) Company car, petrol and driver for the Non-Executive Chairman
  - (b) Telecommunication devices/facilities with line and data package
  - (c) Club membership subscription
  - (d) Medical and insurance coverage
  - (e) Discount on purchases of Group/Company products on terms not more favourable than those given to the public/employees
  - (f) 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:

- (a) The Director's performance and contributions based on results of the BEA 2025;
- (b) The Director's level of contributions to the Board and where applicable, Board Committee deliberations;
- (c) The Director's character, integrity, experience, competence, and overall fitness and propriety;
- (d) The level of independence demonstrated by the retiring Directors who are Independent Directors; and
- (e) 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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THE SHARE REGISTRAR

SIME DARBY BERHAD (200601032645 (752404-U))

c/o Tricor Investor & Issuing House Services Sdn Bhd (11324-H)  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

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