

PRESS RELEASE
For Immediate Release
(Monday, 27 November 2023)

Sime Darby Berhad Delivers Another Strong Quarter
Reports More than 100% Jump in Profit in Q1 FY2024 to RM589 million

Petaling Jaya, 27 November 2023 – Sime Darby Berhad reported a higher net profit of RM589 million for the Group's first quarter ended 30 September 2023 (Q1 FY2024). This was primarily driven by its effective business strategy, which saw the Industrial division significantly rebound in the quarter under review compared to the corresponding quarter in FY2023.

The Group's revenue for Q1 FY2024 was 14.8 per cent higher at RM13.98 billion, compared with RM12.18 billion in Q1 FY2023.

Profit before interest and tax (PBIT) for the Industrial division saw an upturn of 65.7 per cent to RM358 million in the current quarter, mainly due to an increase in profits from the division's Australasia operations from RM186 million to RM309 million. The increase was largely due to higher product support revenue and profit contribution from Onsite Rental Group (Onsite), which the Group had acquired in April 2023.

Overall PBIT for the Motors division increased by 15.3 per cent to RM203 million despite a continued slowdown in China which resulted in lower profit margins at the Chinese Mainland operations. The overall positive Motors performance was attributable to the Malaysian operations which did well, recording an 80 per cent increase in PBIT.

Also included in the results was a gain of RM251 million on the disposal of MVV land to Sime Darby Property Berhad.

"Despite unprecedented geopolitical tensions and exceptionally trying economic conditions, we are pleased to have kicked off FY2024 on a positive note. The Industrial business, in particular, has seen very strong growth with a significant 65.7 per cent jump in the first quarter. This was primarily due to higher demand for product support and the positive contribution from Onsite, a distinguished market leader in providing equipment rental solutions to clients across diverse industries in the Australian market.

"We also successfully completed the acquisition of Cavpower Group, the Caterpillar dealer for South Australia. South Australia is home to over 150 mining companies, and we are confident that there are tremendous opportunities for the heavy equipment and rental business. This move is in line with our new 5-year Strategy Masterplan, a strategic blueprint that will guide us from FY2024 to FY2028 and further enable us to capitalise on our strengths and expand capabilities across our entire value chain," said Dato' Jeffri Salim Davidson, Sime Darby Berhad's Group Chief Executive Officer.

"Together with our joint venture partner Ramsay Health Care Limited, we also recently entered into a sale and purchase agreement (SPA) with Columbia Asia Healthcare Sdn Bhd on 10 November 2023, for the divestment of Ramsay Sime Darby Health Care Sdn Bhd (RSDH) for RM5.68 billion, an equity value derived on the back of an enterprise value of

RM6.06 billion. The RSDH sale marks our full exit from the healthcare business, allowing sharper focus on our two core businesses of Industrial and Motors.

“Despite this solid start for FY2024, we are most certainly conscious of the risk ahead against the backdrop of a subdued global economic outlook. We will continue to rely on our strengths and stay focused on delivering on our Strategy Blueprint. Looking forward, we are highly optimistic that the UMW deal will help to broaden our earnings and allow us to capitalise on the mass volume segment, while unlocking further value by leveraging our proven strengths and capabilities in the automotive sector. In that regard, our shareholders have given us their support for our proposal to acquire Permodalan Nasional Berhad’s 61.2% stake in UMW Holdings Berhad. This marks a very important milestone in the completion of the deal, which would position us in becoming a leading automotive player in Malaysia,” Dato’ Jeffri concluded.

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About Sime Darby Berhad

Sime Darby Berhad is a partner of choice for the world's most admired brands in the Industrial and Motors sectors. We deliver sustainable value to our stakeholders through operational excellence, high performance standards and good corporate governance. Founded in 1910, Sime Darby Berhad today has a workforce of more than 24,000 employees and a presence in 17 countries and territories across the Asia Pacific region. It is listed on the main market of Bursa Malaysia with a market capitalisation of RM16.15 billion (USD3.45 billion) as at 24 November 2023. For more information, please visit www.simedarby.com