

PRESS RELEASE
For Immediate Release
(Wednesday, 21 February 2024)

Sime Darby Berhad Delivers Q2 FY2024 Net Profit of RM2.3 billion
Major Contribution from Disposal of Healthcare Business

Petaling Jaya, 21 February 2024 – Sime Darby Berhad reported a net profit of RM2.3 billion for the Group's second quarter ended 31 December 2023 (Q2 FY2024). The Group's revenue for the quarter was 37.7 per cent higher at RM15.5 billion, compared with RM11.3 billion in Q2 FY2023.

The significant jump in net profit was largely attributed to the RM2.0 billion gain on the disposal of Ramsay Sime Darby Health Care (RSDH) in December 2023. Core net profit for the quarter, excluding the gain on disposal amounted to RM269 million, a 7.2 per cent improvement from the corresponding quarter last year.

"We had an eventful quarter. We announced the completion of the sale of RSDH and our full exit from the healthcare business. This will allow us to fully focus on the growth of our two core businesses of Industrial and Motors.

"We also completed the acquisition of UMW. We are very excited that through this acquisition, we will be adding two leading mass market brands – Toyota and Perodua – into our portfolio. This will help broaden our earnings and unlock further value for the Group.

"Work is ongoing to ensure a smooth and seamless integration of UMW into the Sime Darby family," said Dato' Jeffri Salim Davidson, Sime Darby Berhad's Group Chief Executive Officer.

In the quarter under review, the Industrial division saw a 56.7 per cent jump in PBIT to RM351 million. A key driver was the division's Australasian operations, which recorded an increase in profit arising from higher product support and new equipment revenue. This was further supported by profits generated from the Group's new acquisitions; Onsite Rental Group (Onsite) and Cavpower Group (Cavpower).

Overall PBIT for the Motors division increased by 27.2 per cent to RM192 million in the current quarter, driven by the Malaysian operations which recorded a significant increase in PBIT of 84.3 per cent from RM70 million to RM129 million. Meanwhile, PBIT for the Singaporean operations increased by 87.5 per cent, mainly due to increased demand for electric vehicles.

The strong performance by our Malaysian and Singaporean operations helped to cushion the impact of low vehicle margins at the division's Chinese Mainland operations.

"Overall, our businesses performed well. On the Industrial front, we are seeing good returns from our recent acquisitions of Onsite and Cavpower, which contributed to the division's strong growth in the quarter under review. We are confident that the increased profits from our Australasian operations will further strengthen our Industrial business and continue to contribute positively to the Group's earnings," Dato' Jeffri concluded.

For the first six months of FY2024 (1HFY24), the Group recorded a higher net profit of RM2.9 billion.

Sime Darby Berhad announced an interim dividend of 3 sen per share for the first half of FY2024.

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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 RM17.93 billion (USD3.74 billion) as at 20 February 2024. For more information, please visit www.simedarby.com