



DRB-HICOM BERHAD

Registration No. 199001011860 (203430-W)
(Incorporated in Malaysia)

Interim Financial Report for the Financial Year
Ended 31 December 2024

INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Board of Directors is pleased to announce the unaudited consolidated financial results of DRB-HICOM Group (“the Group”) for the financial quarter/year ended 31 December 2024.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
		31.12.2024 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	31.12.2023 RM'000
Revenue		3,965,734	3,769,285	16,190,764	15,850,547
Cost of sales and operating expenses		(4,005,520)	(3,594,546)	(15,910,686)	(15,408,444)
Other income		99,308	99,641	399,858	414,190
Other expenses		(6,534)	(137,813)	(169,873)	(221,340)
Profit from operations		52,988	136,567	510,063	634,953
Finance costs		(134,028)	(131,028)	(519,472)	(526,497)
Share of results of joint ventures (net of tax)		26,884	21,339	97,777	167,745
Share of results of associated companies (net of tax)		18,986	18,790	159,022	170,667
(LOSS)/PROFIT BEFORE TAXATION	14	(35,170)	45,668	247,390	446,868
Taxation	19	(21,201)	(5,226)	(141,618)	(52,523)
NET (LOSS)/PROFIT FOR THE FINANCIAL QUARTER/YEAR		(56,371)	40,442	105,772	394,345
OTHER COMPREHENSIVE (LOSS)/INCOME					
<u>Items that will not be reclassified subsequently to profit or loss:</u>					
Net gain on fair value changes of equity instruments: financial assets at fair value through other comprehensive income		3,820	9,350	5,624	11,501
Fair value adjustment on transfer of property, plant and equipment to investment properties		4,598	-	4,969	-
Net (loss)/gain on valuation of post-employment benefit obligations		(104)	521	(104)	521
<u>Items that will be reclassified subsequently to profit or loss:</u>					
Net (loss)/gain on fair value changes of investment securities: financial assets at fair value through other comprehensive income		(21,608)	24,025	16,905	49,039
Currency translation differences of foreign operations		95	(1,136)	(580)	3,707

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

	Note	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
		31.12.2024 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	31.12.2023 RM'000
OTHER COMPREHENSIVE (LOSS)/INCOME (continued)					
<u>Items that will be reclassified subsequently to profit or loss:</u> (continued)					
Share of other comprehensive loss of a joint venture		-	-	(511)	-
<u>Reclassification adjustments:</u>					
Transfer of realised gain/(loss) on fair value changes of investment securities: financial assets at fair value through other comprehensive income upon disposal		5,658	(2,200)	(14,339)	(20,230)
Transfer of currency translation differences of a foreign subsidiary company to profit or loss upon disposal		-	-	-	(2,555)
OTHER COMPREHENSIVE (LOSS)/PROFIT FOR THE FINANCIAL QUARTER/YEAR (NET OF TAX)		(7,541)	30,560	11,964	41,983
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL QUARTER/YEAR		(63,912)	71,002	117,736	436,328
Net (loss)/profit for the financial quarter/year attributable to:					
Owners of the Company		(46,615)	26,465	22,554	238,881
Holders of Perpetual Sukuk		9,358	9,357	37,227	28,433
Non-controlling Interests		(19,114)	4,620	45,991	127,031
		(56,371)	40,442	105,772	394,345
Total comprehensive (loss)/income for the financial quarter/year attributable to:					
Owners of the Company		(48,827)	51,706	33,762	272,723
Holders of Perpetual Sukuk		9,358	9,357	37,227	28,433
Non-controlling Interests		(24,443)	9,939	46,747	135,172
		(63,912)	71,002	117,736	436,328
Basic and diluted (loss)/earnings per share (sen):	25	(2.41)	1.37	1.17	12.36

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2023 and the explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		5,280,457	5,230,596
Investment properties		467,042	447,676
Inventories		2,091,400	2,111,755
Joint ventures		562,024	593,299
Associated companies		1,015,820	987,521
Intangible assets		1,626,029	1,959,925
Deferred tax assets		363,178	332,879
Investment securities: financial assets at fair value through profit or loss			
- Banking		-	131,849
- Non-banking		6,379	6,379
Investment securities: financial assets at fair value through other comprehensive income			
- Banking		6,524,060	4,968,173
- Non-banking		75,586	68,956
Investment securities: financial assets at amortised cost			
- Banking		-	116,871
Trade and other receivables		1,563,789	1,706,447
Other assets		2,618	2,559
Banking related assets			
- Financing of customers		25,151,758	21,871,373
- Statutory deposit with Bank Negara Malaysia		680,000	583,809
		45,410,140	41,120,067
CURRENT ASSETS			
Inventories		2,026,256	2,427,374
Trade and other receivables		2,389,504	2,617,105
Investment securities: financial assets at fair value through profit or loss			
- Banking		90,075	5,112
- Non-banking		5,698	8,475
Investment securities: financial assets at fair value through other comprehensive income			
- Banking		970,725	1,434,039
Banking related assets			
- Cash and short-term funds		2,618,766	3,039,191
- Financing of customers		6,592,937	5,898,078
Bank balances and cash deposits		2,133,926	2,024,476
Derivative assets	22(a)	25,376	15,417
Sub-total		16,853,263	17,469,267
Assets held for sale		495	-
		16,853,758	17,469,267
TOTAL ASSETS		62,263,898	58,589,334

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	Note	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
EQUITY AND LIABILITIES			
EQUITY			
Share capital		1,740,302	1,740,302
Reserves		5,662,340	5,862,297
Equity attributable to Owners of the Company		7,402,642	7,602,599
Perpetual Sukuk		905,252	905,196
Redeemable Convertible Cumulative Preference Shares		669,266	669,266
Non-controlling Interests		1,310,044	1,440,018
TOTAL EQUITY		10,287,204	10,617,079
NON-CURRENT LIABILITIES			
Deferred income		2,669	2,864
Trade and other payables		80,155	74,343
Lease liabilities		219,085	195,037
Long-term borrowings	21(c)	6,211,120	5,762,727
Redeemable Convertible Cumulative Preference Shares		816,622	769,181
Post-employment benefit obligations		3,021	3,238
Provision for liabilities and charges		197,829	213,535
Deferred tax liabilities		231,693	225,084
Banking related liabilities			
- Deposits from customers		732,197	1,116,172
- Deposits and placements of banks and other financial institutions		388,152	345,416
- Recourse obligation on financing sold to Cagamas		553,336	1,058,745
		9,435,879	9,766,342
CURRENT LIABILITIES			
Deferred income		4,149	4,024
Trade and other payables		4,270,031	4,766,511
Lease liabilities		85,497	91,426
Provision for liabilities and charges		198,723	234,610
Post-employment benefit obligations		337	232
Bank borrowings			
- Bank overdrafts	21(a)	930	1,093
- Others	21(b)	1,067,743	1,435,759
Banking related liabilities			
- Deposits from customers		35,405,903	31,452,047
- Deposits and placements of banks and other financial institutions		450,569	184,218
- Bills and acceptances payable		6,027	13,773
- Recourse obligation on financing sold to Cagamas		1,030,966	-
Derivative liabilities	22(a)	19,940	22,220
		42,540,815	38,205,913
TOTAL LIABILITIES		51,976,694	47,972,255
TOTAL EQUITY AND LIABILITIES		62,263,898	58,589,334
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY * (RM)		3.83	3.93

* Based on 1,933,237,051 ordinary shares in issue.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2023 and the explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital		Non-distributable				Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	Redeemable Convertible Cumulative Preference Shares ("RCCPS") RM'000	Non- controlling Interests RM'000	Total RM'000
	Number of Shares '000	Monetary Value RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	Fair Value through Other Comprehensive Income ("FVOCI") Reserve RM'000	Other Reserves RM'000						
At 1 January 2024	1,933,237	1,740,302	1,214,085	6,520	(1,054)	277,853	4,364,893	7,602,599	905,196	669,266	1,440,018	10,617,079
Net profit for the financial year	-	-	-	-	-	-	22,554	22,554	37,227	-	45,991	105,772
Other comprehensive (loss)/income for the financial year, net of tax	-	-	-	(863)	7,723	4,348	-	11,208	-	-	756	11,964
Total comprehensive (loss)/income for the financial year	-	-	-	(863)	7,723	4,348	22,554	33,762	37,227	-	46,747	117,736
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	-	-	-	(1,284)	-	1,284	-	-	-	-	-
Transfer of a subsidiary company's reserves	-	-	-	-	1,220	(5,760)	4,540	-	-	-	-	-
Effect of disposal of a subsidiary company	-	-	-	-	-	(1,224)	1,224	-	-	-	(322)	(322)
<u>Transaction with Owners</u>												
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	(15,644)	(15,644)	(37,171)	-	(6,703)	(59,518)
Dividend paid to RCCPS holder	-	-	-	-	-	-	(169,744)	(169,744)	-	-	(169,067)	(338,811)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(629)	(629)
Final dividend in respect of financial year ended 31 December 2023	-	-	-	-	-	-	(48,331)	(48,331)	-	-	-	(48,331)
At 31 December 2024	1,933,237	1,740,302	1,214,085	5,657	6,605	275,217	4,160,776	7,402,642	905,252	669,266	1,310,044	10,287,204

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	Share Capital		Non-distributable				Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	RCCPS RM'000	Non-controlling Interests RM'000	Total RM'000
	Number of Shares '000	Monetary Value RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	FVOCI Reserve RM'000	Other Reserves RM'000						
At 1 January 2023	1,933,237	1,740,302	1,214,085	4,600	(32,606)	238,309	4,201,025	7,365,715	354,020	669,266	1,299,400	9,688,401
Net profit for the financial year	-	-	-	-	-	-	238,881	238,881	28,433	-	127,031	394,345
Other comprehensive income for the financial year, net of tax	-	-	-	1,920	31,765	157	-	33,842	-	-	8,141	41,983
Total comprehensive income for the financial year	-	-	-	1,920	31,765	157	238,881	272,723	28,433	-	135,172	436,328
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	-	-	-	(213)	-	213	-	-	-	-	-
Transfer of a subsidiary company's reserves	-	-	-	-	-	39,387	(39,387)	-	-	-	-	-
Effect of changes in shareholding in a subsidiary company	-	-	-	-	-	-	2,826	2,826	-	-	1,174	4,000
Share subscription in a subsidiary company by a non-controlling interest shareholder	-	-	-	-	-	-	-	-	-	-	6,370	6,370
Sub-total carried forward	1,933,237	1,740,302	1,214,085	6,520	(1,054)	277,853	4,403,558	7,641,264	382,453	669,266	1,442,116	10,135,099

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	Share Capital		Non-distributable				Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	RCCPS RM'000	Non-controlling Interests RM'000	Total RM'000
	Number of Shares '000	Monetary Value RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	FVOCI Reserve RM'000	Other Reserves RM'000						
Sub-total brought forward	1,933,237	1,740,302	1,214,085	6,520	(1,054)	277,853	4,403,558	7,641,264	382,453	669,266	1,442,116	10,135,099
<u>Transactions with Owners</u>												
Net issuance of Perpetual Sukuk	-	-	-	-	-	-	-	-	546,497	-	-	546,497
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	-	(23,754)	-	-	(23,754)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(2,098)	(2,098)
Final dividend in respect of financial year ended 31 December 2022	-	-	-	-	-	-	(38,665)	(38,665)	-	-	-	(38,665)
At 31 December 2023	1,933,237	1,740,302	1,214,085	6,520	(1,054)	277,853	4,364,893	7,602,599	905,196	669,266	1,440,018	10,617,079

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2023 and the explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Financial Year 12 Months Ended 31.12.2024 RM'000	Financial Year 12 Months Ended 31.12.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the financial year	105,772	394,345
Adjustments:		
- Amortisation of intangible assets	480,928	331,941
- Depreciation of property, plant and equipment	708,840	690,063
- Finance costs	519,472	526,497
- Taxation	141,618	52,523
- Share of results of joint ventures (net of tax)	(97,777)	(167,745)
- Share of results of associated companies (net of tax)	(159,022)	(170,667)
- Others	221,287	207,682
Operating profit before working capital changes	1,921,118	1,864,639
Changes in working capital:		
Net increase in banking related assets	(4,266,081)	(4,593,804)
Net increase in banking related liabilities	3,871,222	6,744,930
Net decrease in assets	339,084	631,465
Net decrease in liabilities	(179,327)	(332,957)
Net cash inflow from operations	1,686,016	4,314,273
Interest received	57,129	53,088
Finance costs paid	(143,666)	(126,552)
Tax paid, net of refund	(180,820)	(108,432)
Provision for liabilities and charges paid	(70,378)	(68,189)
Post-employment benefit obligations paid	(403)	(468)
Net cash inflow from operating activities	1,347,878	4,063,720
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment securities	(6,000)	(6,790)
Acquisitions of investment securities by a banking subsidiary company (net)	(903,922)	(1,161,755)
Additional investment in an associated company	(2,295)	-
Dividends received from joint ventures	160,247	98,395
Dividends received from associated companies	144,500	152,227
Dividends received from other investments	3,397	175
Interest received	3,175	4,880
Movement in fixed deposit placement with maturity profile more than three months	(107,186)	(88,373)
Net cash outflow from acquisition of a subsidiary company	(1,765)	-
Net cash outflow from disposal of a subsidiary company	(459)	-
Net cash inflow from partial disposal of equity interest in a subsidiary company	-	26,689
New investment in a joint venture	(10,020)	(4,000)
Proceeds from disposal of an associated company	-	1,301
Proceeds from disposal of partial equity interest in a subsidiary company	-	4,000
Proceeds from disposal of property, plant and equipment	6,883	30,426
Proceeds from liquidation of a joint venture and an associated company	-	8,806
Proceeds from redemption of fund investments	9,000	35,790
Proceeds from redemption of preference shares by an associated company	-	110,217

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	Financial Year 12 Months Ended 31.12.2024 RM'000	Financial Year 12 Months Ended 31.12.2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES (continued)		
Purchases of property, plant and equipment/intangible assets	(744,749)	(1,410,439)
Share subscription in an associated company	-	(37,840)
Share subscription in a subsidiary company by non-controlling interest shareholder	-	6,370
Net cash outflow from investing activities	(1,449,194)	(2,229,921)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution to holders of Perpetual Sukuk	(59,518)	(23,754)
Dividends paid to non-controlling interest	(629)	(2,098)
Dividends paid to shareholders	(48,331)	(38,665)
Dividends paid to RCCPS holder	(338,811)	-
Finance costs paid	(273,675)	(230,909)
Movement in bank balances and fixed deposits held as security/maintained as sinking fund	(963)	119,142
Net proceeds from issuance of Perpetual Sukuk	-	546,497
Payment of the principal portion of lease liabilities	(104,974)	(101,595)
Proceeds from bank borrowings	3,525,414	3,146,787
Proceed from recourse obligation on financing sold to Cagamas	752,233	500,000
Repayment of bank borrowings	(3,522,561)	(3,929,897)
Repayment of principal for recourse obligation on financing sold to Cagamas	(229,586)	(177,363)
Net cash outflow from financing activities	(301,401)	(191,855)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(402,717)	1,641,944
Effects of foreign currency translation	(3,018)	2,628
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE FINANCIAL YEAR	4,650,313	3,005,741
CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL YEAR	4,244,578	4,650,313
Cash and cash equivalents as at end of the financial year comprise the following:		
Bank balances and cash deposits	2,133,926	2,024,476
Banking related assets - cash and short-term funds	2,618,766	3,039,191
Bank overdrafts	(930)	(1,093)
	4,751,762	5,062,574
Less: Bank balances and fixed deposits held as security/sinking fund	(291,989)	(291,026)
Less: Fixed deposits with maturity profile of more than three months	(200,029)	(92,843)
Less: Bank balances in respect of Automotive Development Fund liabilities	(3,737)	(3,645)
Less: Collections held by a postal subsidiary company on behalf of third parties	(11,429)	(24,747)
	4,244,578	4,650,313

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2023 and the explanatory notes attached to the interim financial report.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. This interim financial report should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 31 December 2023 and all the financial information is presented in RM and has been rounded to the nearest thousand unless otherwise stated.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following amendments to standards which are applicable to the Group with effect from 1 January 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 and application of the above amendments did not have any material impact on the financial statements of the Group.

3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the financial year ended 31 December 2024.

4. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE

There was no material item of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows during the financial year ended 31 December 2024.

5. CHANGES IN ESTIMATES

There was no material change in the estimate of amounts reported in prior financial years that has a material effect on this interim financial report.

6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

Other than the following, there was no issuance or repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares, and resale of treasury shares for the financial year ended 31 December 2024.

- (a) On 28 May 2024, PONS Capital Berhad, an indirect wholly-owned subsidiary company of PROTON Holdings Berhad, issued RM500 million from its Sukuk Wakalah programme. The proceeds raised from the Sukuk Wakalah will be utilised to finance the company's expansion plans as well as working capital requirements. The Sukuk Wakalah is classified as secured long-term loans under Islamic financing.
- (b) On 13 November 2024, the Company issued RM300 million in nominal value from its Sukuk Wakalah under the Sukuk Wakalah Programme, which was lodged with the Securities Commission Malaysia on 25 October 2019. This issuance was classified as secured long-term loan under Islamic financing. The net proceeds from the issuance were utilised to finance the capital expenditure, working capital requirements, investment activities, and other general corporate purposes. Separately, on 12 December 2024, the Company repaid RM300 million in nominal value from an earlier tranche of the Sukuk Wakalah.

7. DIVIDEND PAID

The shareholders approved a final dividend of 2.5 sen per share at the last Annual General Meeting held on 28 May 2024 in respect of the financial year ended 31 December 2023. The dividend of RM48,330,926 was paid on 27 June 2024.

8. SEGMENTAL INFORMATION

During the financial year under review, DRB-HICOM Management conducted a review of the reportable operating segments in accordance with MFRS 8 *Operating Segments*. This review involved identifying the Chief Operating Decision Maker ("CODM") and evaluating business activities to determine whether discrete financial information was available for those activities and whether such information was regularly reviewed by the CODM. It also assessed the similarity of economic characteristics, the nature of products and services, processes, and the type or class of customers by products and services to identify the reportable operating segments.

8. SEGMENTAL INFORMATION (continued)

DRB-HICOM Management has reassessed the aviation (airport ground handling business), logistics (integrated logistics and inventory solutions), and other businesses from related entities within the Pos Malaysia Berhad group, including Datapos (M) Sdn. Bhd., Pos Digicert Sdn. Bhd., and Pos Ar-Rahnu Sdn. Bhd., which were previously grouped under the "Services" segment based on shared economic characteristics. These entities have now been reclassified under the "Postal" reportable operating segment, which also includes the current postal business (mail, courier and retail). This reclassification provides a clearer, more comprehensive view of the Group's segmental performance. As performance assessment and resource allocation for Pos Malaysia Berhad group's operations are managed holistically at the DRB-HICOM Group level, this classification better reflects the CODM's role. As of the reporting date, except for the above reclassification, the six reportable operating segments remain unchanged.

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8. SEGMENTAL INFORMATION (continued)

The information on each of the Group's business segments for the financial year ended 31 December 2024 is as follows:

	Automotive	Aerospace and Defence	Postal	Banking	Services	Properties	Investment Holding and Others	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue								
Total revenue	11,167,330	771,718	1,839,669	2,128,326	190,446	211,122	25,402	16,334,013
Inter-segment revenue	(13,750)	-	(70,195)	(14,329)	(858)	(18,715)	(25,402)	(143,249)
External revenue	11,153,580	771,718	1,769,474	2,113,997	189,588	192,407	-	16,190,764
Results								
Segment profit/(loss)	347,710	15,652	(148,554)	201,050	(17,330)	95,647	55,232	549,407
Unallocated expenses								(100,758)
Interest income on short-term deposits	35,221	5,987	956	-	513	5,088	13,649	61,414
Finance costs	(165,415)	(5,076)	(22,139)	(86,154)	(2,166)	(53,691)	(184,831)	(519,472)
Share of results of joint ventures (net of tax)	100,131	-	-	-	-	(2,354)	-	97,777
Share of results of associated companies (net of tax)	158,937	-	85	-	-	-	-	159,022
Profit before taxation								247,390
Taxation	(46,990)	(12,615)	(21,976)	(34,035)	(2,519)	(20,233)	(3,250)	(141,618)
Net profit for the financial year								105,772
Attributable to:								
Owners of the Company								22,554
Holder of Perpetual Sukuk								37,227
Non-controlling Interests								45,991

9. PROPERTY, PLANT AND EQUIPMENT

There is no revaluation of property, plant and equipment brought forward from the previous annual audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

10. SUBSEQUENT EVENT

Save as disclosed in Note 20, there has not arisen in the interval between the end of this reporting year and the date of this announcement any item, transaction or event of a material and unusual nature that would likely to substantially affect the results of the operations of the Group.

11. CHANGES IN THE COMPOSITION OF THE GROUP DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Save as disclosed below, there is no change in the composition of the Group during the current year under review.

- (a) On 3 January 2024, Suzuki Motorcycle Malaysia Sdn. Bhd. ("SMM"), an indirect 29% owned dormant associated company of the Group, was wound up. As a result, SMM ceased to be an indirect 29% owned associated company of the Group.
- (b) On 6 February 2024, Comtrac Sdn. Bhd. ("Comtrac"), an indirect wholly-owned subsidiary company of the Group, completed the transfer of 1,750,000 ordinary shares and 276,940 redeemable preference shares representing 35% equity interest in Glenmarie Cove Development Sdn. Bhd. ("GCD") to HICOM Berhad, an indirect wholly-owned subsidiary company of the Group, via an internal re-organisation. As a result, GCD became a wholly-owned subsidiary company of HICOM Berhad.
- (c) On 26 February 2024, Pos Malaysia & Services Holdings Berhad, an indirect 53.50% owned subsidiary company of the Group, completed the acquisition of 100% equity interest in Prima Pegun Sdn. Bhd. ("Prima Pegun") from CIMB Islamic Trustee Berhad for a cash consideration of RM2. As a result, Prima Pegun became an indirect 53.50% owned subsidiary company of the Group.
- (d) On 28 February 2024, HICOM Holdings Berhad ("HHB"), a direct wholly-owned subsidiary company of the Group, completed the disposal of 9,000,000 ordinary shares and 147,910 preference shares in Comtrac to Ng Tet Min for a cash consideration of RM2. As a result, Comtrac ceased to be an indirect wholly-owned subsidiary company of the Group.
- (e) On 28 May 2024, DRB-HICOM SPV (Labuan) Limited, a direct wholly-owned subsidiary company of the Group, was voluntarily wound up via members' voluntary winding up, and as a result, ceased to be a subsidiary company of the Group.
- (f) On 29 May 2024, AHTV Ventures Sdn. Bhd. ("AHTV Ventures") was incorporated by HHB, and as a result, AHTV Ventures became an indirect wholly-owned subsidiary company of the Group.

11. CHANGES IN THE COMPOSITION OF THE GROUP DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

- (g) On 30 July 2024, AHTV Ventures entered into a joint venture agreement with Geely International Holdings (Malaysia) Sdn. Bhd. to incorporate a joint venture company, AHTV Alliance Sdn. Bhd. (“AHTV Alliance”) and as a result, AHTV Alliance became an indirect 50.10% owned joint venture company of the Group.
- (h) On 1 August 2024, Pos Logistics Berhad (“PLB”), an indirect 53.50% owned subsidiary company of the Group, completed the acquisition of 100% equity interest in PNSL Risk Management Sdn. Bhd. (“PNSL Risk Management”) from PNSL Berhad, the wholly-owned subsidiary company of PLB, for a cash consideration of RM500,000 via an internal re-organisation. As a result, PNSL Risk Management became a direct wholly-owned subsidiary company of PLB.
- (i) On 1 August 2024, Pos Malaysia Berhad, a direct 53.50% owned subsidiary company of the Group, disposed of its entire 50.00% equity interest in Pospay Exchange Sdn. Bhd. (“Pospay”) to Fask Capital Sdn. Bhd. for a cash consideration of RM1. As a result, Pospay ceased to be an indirect 26.75% owned associated company of the Group.
- (j) On 13 August 2024, ACOTech (Thailand) Co., Ltd. (“ACOTech (Thailand)”) was incorporated by ACO Tech Sdn. Bhd., an indirect 30.06% owned subsidiary company of the Group. As a result, ACOTech (Thailand) became an indirect 30.06% owned subsidiary company of the Group. It has yet to commence its operations and will provide connectivity services for Original Equipment Manufacturers, cloud services, mobile application development, dealer management system development and information technology services.
- (k) On 29 October 2024, HB Property Development Sdn. Bhd. (“HB Property”), an indirect wholly-owned subsidiary company of the Group, completed the acquisition of 100% equity interest in Dengkir Maju Security Services Sdn. Bhd. (“Dengkir Maju”) from individual shareholders for a cash consideration of RM1,800,000. As a result, Dengkir Maju became an indirect wholly-owned subsidiary company of the Group.
- (l) On 26 November 2024, ACO Tech (Hubei) Co. Ltd. (“ACO Tech (Hubei)”) was incorporated by ACO Tech Sdn. Bhd., an indirect 30.06% owned subsidiary company of the Group. As a result, ACO Tech (Hubei) became an indirect 30.06% owned subsidiary company of the Group. It has yet to commence its operations and will provide Internet of Things (IoT) related technical services, manufacture, sell, and services equipment, and conduct research and development in technology, software development and sales, digital technology services, cloud computing equipment manufacturing and sales, AI basic software development, and integrated circuit chip and product manufacturing and sales.
- (m) On 29 November 2024, pursuant to an internal re-organisation exercise, HICOM Engineering Sdn. Bhd., a direct wholly owned subsidiary company of HHB, completed the acquisition of 45% equity interest in HICOM-YAMAHA Manufacturing Malaysia Sdn. Bhd., by way of issuance and allotment of 7,829,313 new ordinary shares to HHB.

12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There has been no material change in contingent liabilities or contingent assets from what was reported in the last annual audited financial statements.

13. COMMITMENTS AND CONTINGENT LIABILITIES OF BANK MUAMALAT MALAYSIA BERHAD

Risk Weighted Exposures of Bank Muamalat Malaysia Berhad are as follows:

	As at 31.12.2024		
	Principal Amount RM'000	Credit Equivalent Amount RM'000	Total Risk Weighted Amount RM'000
Contingent liabilities			
Direct credit substitutes	643,892	643,892	630,620
Trade-related contingencies	676,873	135,375	1,745
Transaction-related contingencies	442,614	221,307	210,053
Commitments			
Credit extension commitment:			
- Maturity within one year	748,737	149,747	132,074
- Maturity exceeding one year	1,382,862	691,431	363,400
Other miscellaneous commitments & contingencies	349,722	57,459	43,094
Islamic derivative financial Instruments			
Foreign exchange related contracts	1,850,608	45,625	36,350
	6,095,308	1,944,836	1,417,336

No material loss is anticipated as these amounts arose in Bank Muamalat Malaysia Berhad's business, where it makes various commitments and incurs certain contingent liabilities with legal recourse to its customers.

14. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging/(crediting) the following:

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	31.12.2023 RM'000
Allowance/(write-back of allowance) for expected credit losses	10,070	16,120	(775)	2,865
Allowance for/(write-back of) financing of customers (net)	69,302	(20,350)	158,354	33,258
Amortisation of intangible assets	126,012	90,578	480,928	331,941
Depreciation of property, plant and equipment	195,485	172,972	708,840	690,063
Finance costs	134,028	131,028	519,472	526,497
Impairment loss/(reversal of impairment loss) of, (net):				
- intangible assets	-	30,821	-	30,821
- investment securities	280	(6)	44,782	526
- property, plant and equipment	(4,615)	2,403	(4,248)	2,403
Loss on fair value adjustment of investment securities (net)	32,926	30,833	21,018	31,768
Realised foreign exchange differences (net)	5,621	4,606	38,911	24,704
Unrealised foreign exchange differences (net)	8,221	(27,661)	(8,514)	(7,639)
Write-off/(write-back) of:				
- intangible assets	4,505	79,022	4,505	79,022
- inventories	98,981	(78,248)	131,172	(3,299)
- property, plant and equipment	1,235	12,870	1,867	5,409
(Gain)/loss on disposal of (net):				
- investment securities	(400)	(2,259)	(14,283)	(20,307)
- partial equity interest in a former subsidiary company	-	293	-	(4,806)
- property, plant and equipment	1,814	(710)	955	(3,439)
- a subsidiary company	-	-	(87)	-
- an associated company	-	-	-	(1,301)
Interest income on short-term deposits	(16,903)	(15,342)	(61,414)	(59,581)
Marked to market (gain)/loss on derivatives (net)	(79,509)	31,311	(12,239)	(12,437)

15. REVIEW OF PERFORMANCE

15.1 Revenue

	Group Business Sectors	Financial Quarter 3 Months Ended		Variance		Financial Year 12 Months Ended		Variance	
		31.12.2024 RM'000	31.12.2023 RM'000	RM'000	% +/-	31.12.2024 RM'000	31.12.2023 RM'000	RM'000	% +/-
(i)	Automotive	2,696,063	2,576,846	119,217	4.6	11,153,580	11,337,213	(183,633)	-1.6
(ii)	Aerospace and Defence	187,673	217,387	(29,714)	-13.7	771,718	688,212	83,506	12.1
(iii)	Postal	447,459	441,106	6,353	1.4	1,769,474	1,726,771	42,703	2.5
(iv)	Banking	523,764	456,112	67,652	14.8	2,113,997	1,716,214	397,783	23.2
(v)	Services	49,258	43,961	5,297	12.0	189,588	179,607	9,981	5.6
(vi)	Properties	61,517	33,873	27,644	81.6	192,407	202,530	(10,123)	-5.0
	Total	3,965,734	3,769,285	196,449	5.2	16,190,764	15,850,547	340,217	2.1

The Group's revenue for the quarter ended 31 December 2024 increased by 5.2%, reaching RM3.97 billion, compared to RM3.77 billion in the same quarter last year. This growth was mainly driven by higher sales across the Properties, Banking, Services, Automotive, and Postal sectors. However, the increase was partially offset by a decline in revenue from the Aerospace and Defence sector.

For the twelve months ended 31 December 2024, the Group's revenue increased by 2.1% to RM16.19 billion from RM15.85 billion as compared to the corresponding year ended 31 December 2023.

(i) Automotive Sector

The decline in revenue was primarily due to lower sales volume of Proton vehicles and lower revenue from manufacturing & engineering and automotive distribution companies.

(ii) Aerospace and Defence Sector

The Aerospace and Defence sector recorded higher revenue, mainly driven by increased product deliveries of single-aisle aircraft and certain aircraft parts in response to greater demand from airlines.

(iii) Postal Sector

Overall, the postal revenue improved, primarily driven by higher revenue from the in-flight catering business, which saw an increase in the number of meals prepared, and the ground handling business, which benefited from a rise in flight operations. However, this growth was partially offset by lower sales volume from the international and mail businesses due to reduced cross-border volume amidst an industry-wide slowdown, as well as a decline in revenue from the automotive and freight management businesses, and the mandatory dry-docking of a vessel.

15. REVIEW OF PERFORMANCE (continued)

15.1 Revenue (continued)

(iv) Banking Sector

The Banking sector achieved higher revenue due to higher financing income, driven by growth in financing volume attributed to sustainable growth and an expanding customer base.

(v) Services Sector

The Services sector recorded higher revenue, primarily due to a higher turnout of commercial vehicles for inspections in the vehicle inspection business segment.

(vi) Properties Sector

The Properties sector recorded lower revenue primarily due to lower revenue from the construction projects. However, this was partially offset by higher revenue from property development projects.

15.2 (Loss)/Profit Before Tax

For the current quarter ended 31 December 2024, the Group incurred a pre-tax loss of RM35.17 million compared to a pre-tax profit of RM45.67 million in the corresponding quarter ended 31 December 2023. The decline in performance was primarily attributed to reduced profit in the Banking sector due to higher funding costs, margin compression and increased credit loss allowances for the financing of customers. Additionally, lower profit from the Automotive sector, mainly driven by lower sales volume, was recorded. However, this was partially offset by higher contributions from the Properties and Aerospace and Defence sectors.

In relation to the financial year ended 31 December 2024, the Group posted a lower pre-tax profit of RM247.39 million compared to RM446.87 million in the corresponding year ended 31 December 2023. The lower performance was mainly due to reduced profits from the Automotive, Banking, and Services sectors. The decline was partially mitigated by improved profits from the Properties, Aerospace and Defence, and Postal sectors.

16. COMPARISON WITH THE PRECEDING QUARTER'S RESULTS

The Group recorded a pre-tax loss of RM35.17 million for the current quarter ended 31 December 2024, compared to a pre-tax profit of RM45.86 million in the preceding quarter ended 30 September 2024. The decline was mainly due to lower profits in the Banking, Postal, Services and Automotive sectors. However, this was partially offset by higher contributions from the Properties and Aerospace & Defence sectors.

17. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025

The Malaysian economy is expected to remain resilient in 2025, supported by initiatives under the Madani Economy framework. The strength of economic activity this year will primarily be driven by robust domestic expenditure. The global outlook remains uncertain due to escalating risks, including newly imposed US tariffs, intensified trade wars, geopolitical tensions, and financial market volatility.

The Total Industry Volume (“TIV”) for automotive sales in Malaysia achieved a historic high for the third consecutive year, with 816,747 new vehicles registered in 2024 (2023: 799,821 units; 2022: 721,177 units). The growth in TIV has been fuelled by an influx of new foreign brands, particularly from China. In addition, there is strong consumer demand and growing interest in electric vehicles, including the recently launched Proton e.MAS 7 on 16 December 2024. The Group remains committed to enhancing its product offerings, adopting advanced technologies, and elevating customer experience across all marques, including PROTON, Honda, Mitsubishi and Isuzu.

Leveraging on DRB-HICOM’s diversified portfolio, the Group continues to demonstrate resilience while strengthening its digital capabilities, particularly in the Banking, Postal, and Services sectors. Meanwhile, the increasing demand for global travel presents growth opportunities for the Group’s aerospace business. Additionally, the on-going development of the Automotive High-Tech Valley in Tanjong Malim, Perak, will be the catalyst for the Properties sector in the future.

The Group anticipates a moderate outlook for the financial year ending 31 December 2025.

18. PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee for the current financial year in a public document.

19. TAXATION

Taxation comprises the following:

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.12.2024 RM’000	31.12.2023 RM’000	31.12.2024 RM’000	31.12.2023 RM’000
Current taxation	31,846	41,855	165,268	127,723
Deferred taxation	(10,645)	(36,629)	(23,650)	(75,200)
Total	21,201	5,226	141,618	52,523

For the financial year ended 31 December 2024, the taxation charge arose mainly from certain profit-making subsidiary companies and certain expenses, which were not deductible for income tax purposes.

20. STATUS OF CORPORATE PROPOSALS

Save as disclosed below, there are no other corporate proposals as at the date of this report.

On 21 May 2024, Pos Logistics Berhad (“PLB”), an indirect 53.50% owned subsidiary company of the Group, entered into a Share Sale and Purchase Agreement (“SPA”) to dispose of its entire equity interest in PNSL Berhad to SWA Shipping Sdn. Bhd. (“SWA”) for an indicative total consideration of RM123.20 million.

All Conditions Precedent were fulfilled on 19 August 2024, rendering the SPA unconditional on that date (“Unconditional Date”). PLB and SWA mutually agreed to amend the completion date, extending it from 21 days after the Unconditional Date to 111 days (“Extended Completion Period”) to allow both parties to complete the disposal.

On 9 December 2024, SWA requested a further 30-day extension of the Extended Completion Period to complete the disposal (“2nd Extended Completion Period”), which was agreed upon by both parties. However, by the end of the 2nd Extended Completion Period on 8 January 2025, SWA had not fulfilled its obligations under Clauses 8.2(a) and 8.2(d) of the SPA (“Non-Fulfilment”).

On 9 January 2025, pursuant to Clause 12.2 of the SPA, PLB issued a written notice (“Notice”) to SWA, requiring SWA to remedy the Non-Fulfilment within 30 business days of receiving the Notice, ending on 25 February 2025 (“Remedial Period”). SWA failed to do so within the stipulated timeframe. Consequently, on 25 February 2025, PLB terminated the SPA and forfeited the RM2.0 million deposit in accordance with Clause 12.2 of the SPA.

21. BORROWINGS

Total Group borrowings are as follows:

		As at 31.12.2024 RM'000
	Short-Term Borrowings	
(a)	Bank overdrafts - Secured	930
(b)	Others	
	<u>Secured</u>	
	Bankers acceptances	66,477
	Revolving credits	88,431
	Short-term loans	38,284
	Hire purchase - portion repayable within 12 months	24,802
	Long-term loans - portion repayable within 12 months	23,369

21. BORROWINGS (continued)

	As at 31.12.2024 RM'000
Short-Term Borrowings (continued)	
(b) Others (continued)	
<u>Secured (continued)</u>	
Long-term loans under Islamic financing - portion repayable within 12 months	503,521
Sub-total	744,884
<u>Unsecured</u>	
Bankers acceptances	264,709
Revolving credits	50,000
Long-term loans under Islamic financing - portion repayable within 12 months	8,150
Sub-total	322,859
Total	1,067,743
(c) Long-Term Borrowings	
<u>Secured</u>	
Hire purchase	95,300
- portion repayable within 12 months	(24,802)
	70,498
Long-term loans	295,863
- portion repayable within 12 months	(23,369)
	272,494
Long-term loans under Islamic financing	5,572,430
- portion repayable within 12 months	(503,521)
	5,068,909
<u>Unsecured</u>	
Long-term loans under Islamic financing	807,369
- portion repayable within 12 months	(8,150)
	799,219
Total	6,211,120
Grand Total	7,279,793

21. BORROWINGS (continued)

- (d) As disclosed in Note 6(a) on page 11, PONSB Capital Berhad, an indirect wholly-owned subsidiary company of PROTON Holdings Berhad, issued RM500 million in Sukuk Wakalah, classified as secured long-term loans under Islamic financing.
- (e) As disclosed in Note 6(b) on page 11, the Company issued RM300 million in Sukuk Wakalah, classified as secured long-term loans under Islamic financing.
- (f) The above borrowings are denominated in Ringgit Malaysia (“RM”), except for the short-term foreign currency borrowings, which are translated into their RM equivalent as disclosed below:

As at 31 December 2024	Foreign currency	Foreign '000	RM '000
Secured - Term loans under Islamic financing	USD	3,830	17,148
Total			17,148

22. OUTSTANDING DERIVATIVES

- (a) Derivatives outstanding as at 31 December 2024 consist mainly of currency forward foreign exchange contracts, currency swaps foreign exchange contracts and share put option, which are measured at their fair values together with their corresponding contract/notional amounts as below:

	Contract/ Notional Value RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
Currency forward foreign exchange contracts	1,451,006	18,960	16,346
Currency swaps foreign exchange contracts	726,063	4,790	3,594
Share put option	1,626	1,626	-
	2,178,695	25,376	19,940

22. OUTSTANDING DERIVATIVES (continued)

(a) (continued)

There has been no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2023:

- (i) the credit risk, market risk and liquidity risk associated with these financial derivatives;
- (ii) the cash requirements of the financial derivatives; and
- (iii) the policy in place for mitigating or controlling the risks associated with these financial derivatives.

(b) Disclosure of gain arising from fair value changes of financial derivatives

During the financial year ended 31 December 2024, the Group recognised a total net gain of RM12.24 million arising from the fair value changes on the currency forward foreign exchange contracts, currency swaps foreign exchange contracts and share put option, which are marked to market as at 31 December 2024.

23. MATERIAL LITIGATION

Save as disclosed below, there is no other material litigation as at the date of this report.

The Inland Revenue Board of Malaysia (“IRB”) had, on 30 August 2024, served a Notice of Assessment (“Notice”) on DRB-HICOM’s wholly-owned subsidiary company, HICOM Holdings Berhad (“HHB”), for the year of assessment 2020, amounting to RM246,245,935.49 (including penalty). The Notice was issued following the IRB’s decision to treat a gain from the disposal of a long-term investment in a subsidiary by HHB as income subject to tax under Section 4(a) of the Income Tax Act 1967.

HHB has filed a formal appeal against the assessment, including an application for Judicial Review with the High Court on 7 November 2024. On 13 January 2025, the High Court granted an interim stay on the payment till 13 March 2025, pending the hearing of the application for leave for Judicial Review.

Upon consulting its tax counsel and solicitors, the Group is of the view that valid legal grounds exist to defend against the Notice. Consequently, no provision is required for the potential tax liability as of the reporting date.

24. DIVIDEND

No interim dividend has been declared in the financial year ended 31 December 2024.

25. (LOSS)/EARNINGS PER SHARE

The basic and diluted (loss)/earnings per share is calculated by dividing the Group's net (loss)/profit attributable to Owners of the Company by the number of ordinary shares in issue during the financial quarter/year:

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Net (loss)/profit attributable to Owners of the Company (RM'000)	(46,615)	26,465	22,554	238,881
Number of ordinary shares in issue ('000)	1,933,237	1,933,237	1,933,237	1,933,237
Basic and diluted (loss)/earnings per share (sen)	(2.41)	1.37	1.17	12.36

26. AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's preceding audited annual financial statements was not subject to any qualification.

BY ORDER OF THE BOARD

SABARINA LAILA BINTI MOHD HASHIM
SSM PC No.: 201908001661
LS No.: 0004324
Company Secretary

Shah Alam
27 February 2025