



## **DRB-HICOM BERHAD**

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

Interim Financial Report for the Financial Period  
Ended 30 June 2025

**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025**

The Board of Directors is pleased to announce the unaudited consolidated financial results of DRB-HICOM Group (“the Group”) for the financial quarter/period ended 30 June 2025.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Financial Quarter 3 Months Ended		Financial Period 6 Months Ended	
		30.06.2025 RM'000	30.06.2024 RM'000	30.06.2025 RM'000	30.06.2024 RM'000
Revenue		4,135,817	3,758,377	8,249,794	8,091,294
Cost of sales and operating expenses		(4,011,920)	(3,760,641)	(8,056,161)	(7,917,240)
Other income		101,290	85,098	191,427	182,775
Other expenses		(19,556)	(5,561)	(43,355)	(33,706)
Profit from operations		205,631	77,273	341,705	323,123
Finance costs		(126,071)	(128,219)	(256,248)	(256,762)
Share of results of joint ventures (net of tax)		12,801	33,634	50,024	56,538
Share of results of associated companies (net of tax)		30,824	43,246	80,325	113,797
<b>PROFIT BEFORE TAXATION</b>	14	<b>123,185</b>	25,934	<b>215,806</b>	236,696
Taxation	19	4,493	(23,762)	(24,374)	(85,675)
<b>NET PROFIT FOR THE FINANCIAL QUARTER/PERIOD</b>		<b>127,678</b>	2,172	<b>191,432</b>	151,021
<b>OTHER COMPREHENSIVE INCOME</b>					
<u>Items that will not be reclassified subsequently to profit or loss:</u>					
Net (loss)/gain on fair value changes of equity instruments: financial assets at fair value through other comprehensive income		(1,188)	5,489	(14,928)	10,060
Fair value adjustment on transfer of property, plant and equipment to investment properties		43,043	371	43,043	371
<u>Items that will be reclassified subsequently to profit or loss:</u>					
Net gain on fair value changes of investment securities: financial assets at fair value through other comprehensive income		62,513	444	84,996	10,169
Currency translation differences of foreign operations		2,781	550	3,637	2,105
Share of other comprehensive loss of a joint venture		-	-	-	(511)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)**

	Note	Financial Quarter 3 Months Ended		Financial Period 6 Months Ended	
		30.06.2025 RM'000	30.06.2024 RM'000	30.06.2025 RM'000	30.06.2024 RM'000
<b>OTHER COMPREHENSIVE INCOME (continued)</b>					
<u>Reclassification adjustments:</u>					
Transfer of realised gain on fair value changes of investment securities: financial assets at fair value through other comprehensive income upon disposal		<b>(26,943)</b>	(2,207)	<b>(31,199)</b>	(11,490)
<b>OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER/PERIOD (NET OF TAX)</b>		<b>80,206</b>	4,647	<b>85,549</b>	10,704
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER/PERIOD</b>		<b>207,884</b>	6,819	<b>276,981</b>	161,725
Net profit/(loss) for the financial quarter/period attributable to:					
Owners of the Company		<b>58,092</b>	(17,076)	<b>75,815</b>	74,462
Holders of Perpetual Sukuk		<b>9,256</b>	9,256	<b>18,410</b>	18,512
Non-controlling interests		<b>60,330</b>	9,992	<b>97,207</b>	58,047
		<b>127,678</b>	2,172	<b>191,432</b>	151,021
Total comprehensive income/(loss) for the financial quarter/period attributable to:					
Owners of the Company		<b>127,307</b>	(13,724)	<b>148,966</b>	81,651
Holders of Perpetual Sukuk		<b>9,256</b>	9,256	<b>18,410</b>	18,512
Non-controlling interests		<b>71,321</b>	11,287	<b>109,605</b>	61,562
		<b>207,884</b>	6,819	<b>276,981</b>	161,725
Basic and diluted earnings/(loss) per share (sen):	25	<b>3.00</b>	(0.88)	<b>3.92</b>	3.85

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 2024 and the explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As at 30.06.2025 RM'000	As at 31.12.2024 RM'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		5,155,063	5,280,457
Investment properties		613,331	467,042
Inventories		2,092,050	2,091,400
Joint ventures		558,789	562,024
Associated companies		1,025,789	1,015,820
Intangible assets		1,652,664	1,626,029
Deferred tax assets		397,177	363,178
Investment securities: financial assets at fair value through profit or loss			
- Banking		46,367	-
- Non-banking		6,379	6,379
Investment securities: financial assets at fair value through other comprehensive income			
- Banking		6,969,312	6,524,060
- Non-banking		75,586	75,586
Trade and other receivables		1,473,217	1,563,789
Other assets		2,618	2,618
Banking related assets			
- Financing of customers		28,822,357	25,151,758
- Statutory deposit with Bank Negara Malaysia		360,000	680,000
		<b>49,250,699</b>	<b>45,410,140</b>
<b>CURRENT ASSETS</b>			
Inventories		2,072,861	2,026,256
Trade and other receivables		2,815,968	2,389,504
Investment securities: financial assets at fair value through profit or loss			
- Banking		12,614	90,075
- Non-banking		5,208	5,698
Investment securities: financial assets at fair value through other comprehensive income			
- Banking		815,329	970,725
Banking related assets			
- Cash and short-term funds		2,731,323	2,618,766
- Financing of customers		3,808,988	6,592,937
Bank balances and cash deposits		2,236,291	2,133,926
Derivative assets	22(a)	10,398	25,376
Sub-total		<b>14,508,980</b>	<b>16,853,263</b>
Assets held for sale		495	495
		<b>14,509,475</b>	<b>16,853,758</b>
<b>TOTAL ASSETS</b>		<b>63,760,174</b>	<b>62,263,898</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

	Note	As at 30.06.2025 RM'000	As at 31.12.2024 RM'000
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		1,740,302	1,740,302
Reserves		5,755,345	5,662,340
<b>Equity attributable to Owners of the Company</b>		<b>7,495,647</b>	<b>7,402,642</b>
<b>Perpetual Sukuk</b>		<b>905,021</b>	<b>905,252</b>
<b>Redeemable Convertible Cumulative Preference Shares</b>		<b>669,266</b>	<b>669,266</b>
<b>Non-controlling Interests</b>		<b>1,429,119</b>	<b>1,310,044</b>
<b>TOTAL EQUITY</b>		<b>10,499,053</b>	<b>10,287,204</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred income		2,620	2,669
Trade and other payables		79,455	80,155
Lease liabilities		204,180	219,085
Long-term borrowings	21(c)	6,291,051	6,211,120
Redeemable Convertible Cumulative Preference Shares		841,222	816,622
Post-employment benefit obligations		2,655	3,021
Provision for liabilities and charges		217,606	197,829
Deferred tax liabilities		242,203	231,693
Banking related liabilities			
- Deposits from customers		745,916	732,197
- Deposits and placements of banks and other financial institutions		313,456	388,152
- Recourse obligation on financing sold to Cagamas		1,005,213	553,336
		<b>9,945,577</b>	<b>9,435,879</b>
<b>CURRENT LIABILITIES</b>			
Deferred income		4,467	4,149
Trade and other payables		4,748,476	4,270,031
Lease liabilities		86,052	85,497
Provision for liabilities and charges		274,654	198,723
Post-employment benefit obligations		655	337
Bank borrowings			
- Bank overdrafts	21(a)	963	930
- Others	21(b)	1,121,234	1,067,743
Banking related liabilities			
- Deposits from customers		36,122,227	35,405,903
- Deposits and placements of banks and other financial institutions		607,278	450,569
- Bills and acceptances payable		7,662	6,027
- Recourse obligation on financing sold to Cagamas		301,632	1,030,966
Derivative liabilities	22(a)	40,244	19,940
		<b>43,315,544</b>	<b>42,540,815</b>
<b>TOTAL LIABILITIES</b>		<b>53,261,121</b>	<b>51,976,694</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>63,760,174</b>	<b>62,263,898</b>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY * (RM)</b>		<b>3.88</b>	<b>3.83</b>

\* 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 2024 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						
<b>At 1 January 2025</b>	<b>1,933,237</b>	<b>1,740,302</b>	<b>1,214,085</b>	<b>5,657</b>	<b>6,605</b>	<b>275,217</b>	<b>4,160,776</b>	<b>7,402,642</b>	<b>905,252</b>	<b>669,266</b>	<b>1,310,044</b>	<b>10,287,204</b>
Net profit for the financial period	-	-	-	-	-	-	75,815	75,815	18,410	-	97,760	192,561
Other comprehensive income for the financial period, net of tax	-	-	-	2,900	27,209	43,042	-	73,151	-	-	12,398	84,420
Total comprehensive income for the financial period	-	-	-	2,900	27,209	43,042	76,391	148,966	18,410	-	109,605	276,981
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	-	-	-	6,305	-	(6,305)	-	-	-	-	-
Transfer of subsidiary companies' reserves	-	-	-	-	-	(15,296)	15,296	-	-	-	-	-
Effect of liquidation of a joint venture	-	-	-	-	-	(2,400)	2,400	-	-	-	-	-
Share subscription in a subsidiary by non-controlling interest shareholder	-	-	-	-	-	-	-	-	-	-	12,740	12,740
<u>Transaction with Owners</u>												
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	(7,630)	(7,630)	(18,641)	-	(3,270)	(29,541)
Final dividend in respect of financial year ended 31 December 2024	-	-	-	-	-	-	(48,331)	(48,331)	-	-	-	(48,331)
<b>At 30 June 2025</b>	<b>1,933,237</b>	<b>1,740,302</b>	<b>1,214,085</b>	<b>8,557</b>	<b>40,119</b>	<b>300,563</b>	<b>4,192,021</b>	<b>7,495,647</b>	<b>905,021</b>	<b>669,266</b>	<b>1,429,119</b>	<b>10,499,053</b>

**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 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 period	-	-	-	-	-	-	74,462	74,462	18,512	-	58,047	151,021
Other comprehensive income/(loss) for the financial period, net of tax	-	-	-	1,212	6,117	(140)	-	7,189	-	-	3,515	10,704
Total comprehensive income/(loss) for the financial period	-	-	-	1,212	6,117	(140)	74,462	81,651	18,512	-	61,562	161,725
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	-	-	-	(1,492)	-	1,492	-	-	-	-	-
Transfer of a subsidiary's reserves	-	-	-	-	-	19,004	(19,004)	-	-	-	-	-
Effect of disposal of a subsidiary	-	-	-	-	-	(1,224)	1,224	-	-	-	(322)	(322)
<u>Transaction with Owners</u>												
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	(7,758)	(7,758)	(18,660)	-	(3,324)	(29,742)
Dividend paid to RCCPS holder	-	-	-	-	-	-	(169,744)	(169,744)	-	-	(169,067)	(338,811)
Final dividend in respect of financial year ended 31 December 2023	-	-	-	-	-	-	(48,331)	(48,331)	-	-	-	(48,331)
<b>At 30 June 2024</b>	1,933,237	1,740,302	1,214,085	7,732	3,571	295,493	4,197,234	7,458,417	905,048	669,266	1,328,867	10,361,598

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 2024 and the explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Financial Period 6 Months Ended 30.06.2025 RM'000</b>	<b>Financial Period 6 Months Ended 30.06.2024 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit for the financial period	191,432	151,021
Adjustments:		
- Amortisation of intangible assets	252,648	233,876
- Depreciation of property, plant and equipment	326,890	342,149
- Finance costs	256,248	256,762
- Taxation	24,374	85,675
- Share of results of joint ventures (net of tax)	(50,024)	(56,538)
- Share of results of associated companies (net of tax)	(80,325)	(113,797)
- Others	213,932	26,017
Operating profit before working capital changes	1,135,175	925,165
Changes in working capital:		
Net increase in banking related assets	(598,181)	(2,386,659)
Net increase in banking related liabilities	813,691	1,419,335
Net decrease in assets	(125,950)	(140,543)
Net increase in liabilities	263,719	59,469
Net cash inflow/(outflow) from operations	1,488,454	(123,233)
Interest received	8,724	26,411
Finance costs paid	(32,335)	(58,389)
Tax paid, net of refund	(90,604)	(75,293)
Provision for liabilities and charges paid	(45,217)	(12,312)
Post-employment benefit obligations paid	(197)	(203)
Net cash inflow/(outflow) from operating activities	<b>1,328,825</b>	<b>(243,019)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of investment securities	(1,800)	(6,000)
Additional investment in an associated company	-	(2,295)
Dividends received from associated companies	79,952	75,820
Interest received	752	2,258
Movement in fixed deposit placement with maturity profile more than three months	200,000	(27,786)
Net cash outflow from disposal of a subsidiary	-	(459)
Proceeds from disposal of property, plant and equipment	4,148	2,660
Proceeds from redemption of fund investments	2,350	2,000
Purchases of property, plant and equipment/intangible assets	(544,774)	(313,612)
Proceed from acquisition of investment securities by a banking subsidiary (net)	(238,359)	(352,469)
Share subscription in a subsidiary by a non-controlling interest shareholder	12,740	-
Net cash outflow from investing activities	<b>(484,991)</b>	<b>(619,883)</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

	<b>Financial Period 6 Months Ended 30.06.2025 RM'000</b>	<b>Financial Period 6 Months Ended 30.06.2024 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distribution to holders of Perpetual Sukuk	(29,541)	(29,742)
Dividends paid to shareholders	(48,331)	(48,331)
Dividends paid to RCCPS holder	-	(338,811)
Finance costs paid	(134,605)	(138,896)
Movement in bank balances and fixed deposits held as security/maintained as sinking fund	(115,475)	231
Payment of the principal portion of lease liabilities	(51,135)	(52,139)
Proceeds from bank borrowings	1,694,893	1,665,048
Proceed from recourse obligation on financing sold to Cagamas	452,711	200,000
Repayment of bank borrowings	(1,578,873)	(1,278,033)
Repayment of loan from a joint venture	2,000	-
Repayment of principal for recourse obligation on financing sold to Cagamas	(730,495)	(213,766)
Net cash outflow from financing activities	<b>(538,851)</b>	<b>(234,439)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>304,983</b>	<b>(1,097,341)</b>
Effects of foreign currency translation	(1,545)	1,118
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE FINANCIAL PERIOD	4,244,577	4,650,314
<b>CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL PERIOD</b>	<b>4,548,015</b>	<b>3,554,091</b>
Cash and cash equivalents as at end of the financial period comprise the following:		
Bank balances and cash deposits	2,236,291	1,674,697
Banking related assets - cash and short-term funds	2,731,323	2,303,980
Bank overdrafts	(963)	(869)
	4,966,651	3,977,808
Less: Bank balances and fixed deposits held as security/sinking fund	(407,463)	(290,795)
Less: Fixed deposits with maturity profile of more than 3 months	(29)	(120,629)
Less: Bank balances in respect of Automotive Development Fund liabilities	(4,336)	(3,690)
Less: Collections held by a postal subsidiary on behalf of third parties	(6,808)	(15,741)
Add: Cash and cash equivalents attributable to the disposal group held for sale	-	7,138
	<b>4,548,015</b>	<b>3,554,091</b>

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 2024 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 2024, 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 2024, except for the adoption of the following amendments to standards, which are applicable to the Group with effect from 1 January 2025:

Amendments to MFRS 121	Lack of Exchangeability
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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 period ended 30 June 2025.

### **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 period ended 30 June 2025.

### **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**

There was no issuance or repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares, or resale of treasury shares for the financial period ended 30 June 2025.

**7. DIVIDEND PAID**

The Board of Directors has approved a final dividend of 2.5 sen per share, amounting to RM48,330,926 in respect of the financial year ended 31 December 2024. The dividend was paid on 30 April 2025.

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## 8. SEGMENTAL INFORMATION

The information on each of the Group's business segments for the financial period ended 30 June 2025 is as follows:

	<b>Automotive</b>	<b>Aerospace and Defence</b>	<b>Postal</b>	<b>Banking</b>	<b>Services</b>	<b>Properties</b>	<b>Investment Holding and Others</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>								
Total revenue	5,693,162	343,906	902,582	1,102,725	104,208	142,196	12,544	8,301,323
Inter-segment revenue	(11,836)	-	(12,094)	(13,060)	(715)	(1,280)	(12,544)	(51,529)
External revenue	5,681,326	343,906	890,488	1,089,665	103,493	140,916	-	8,249,794
<b>Results</b>								
Segment profit/(loss)	196,890	7,324	(68,606)	184,003	(3,304)	18,150	31,655	366,112
Unallocated expenses								(54,781)
Interest income	20,802	1,656	326	-	160	1,989	5,441	30,374
Finance costs	(81,097)	(2,741)	(9,978)	(48,646)	(1,646)	(23,023)	(89,117)	(256,248)
Share of results of joint ventures (net of tax)	50,966	-	-	-	-	(942)	-	50,024
Share of results of associated companies (net of tax)	80,310	-	15	-	-	-	-	80,325
Profit before taxation								215,806
Taxation	37,268	(6,581)	(6,689)	(37,840)	(3,118)	(6,098)	(1,316)	(24,374)
Net profit for the financial period								191,432
Attributable to:								
Owners of the Company								75,815
Holder of Perpetual Sukuk								18,410
Non-controlling interests								97,207

**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**

There has not arisen in the interval between the end of this reporting period 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 PERIOD ENDED 30 JUNE 2025**

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

- (a) On 21 January 2025, HICOM-HONDA Manufacturing Malaysia Sdn. Bhd. (“HHMM”), an indirect 48% owned dormant joint venture of the Group, was dissolved and as a result, HHMM ceased to be a joint venture of the Group.
- (b) On 6 June 2025, Proton International Corporation Sdn. Bhd. (“PICorp”) was incorporated by Perusahaan Otomobil Nasional Sdn. Bhd., an indirect 50.1% owned subsidiary of the Group. As a result, PICorp became an indirect 50.1% owned subsidiary of the Group. PICorp will be involved in the sales of vehicle, parts and accessories for the global market.
- (c) On 6 June 2025, HICOM Engineering Sdn. Bhd. entered into a joint venture agreement with Hangzhou Flash Charging New Energy Co., Limited to incorporate a joint venture company, New Energy Asia Sdn. Bhd. (“NEA”) and as a result, NEA became an indirect 49% owned joint venture of the Group.

**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 30.06.2025		
	Principal Amount RM'000	Credit Equivalent Amount RM'000	Total Risk Weighted Amount RM'000
<b>Contingent liabilities</b>			
Direct credit substitutes	765,841	765,841	741,808
Trade-related contingencies	463,078	92,616	1,728
Transaction-related contingencies	477,056	238,528	225,349
<b>Commitments</b>			
Credit extension commitment:			
- Maturity within one year	911,532	182,306	162,314
- Maturity exceeding one year	1,415,652	707,826	347,584
Other miscellaneous commitments & contingencies	485,869	74,631	56,040
<b>Islamic derivative financial instruments</b>			
Foreign exchange related contracts	1,544,017	28,262	25,007
	<b>6,063,045</b>	<b>2,090,010</b>	<b>1,559,830</b>

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. PROFIT BEFORE TAXATION**

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

	Financial Quarter 3 Months Ended		Financial Period 6 Months Ended	
	30.06.2025 RM'000	30.06.2024 RM'000	30.06.2025 RM'000	30.06.2024 RM'000
Amortisation of intangible assets	128,646	116,709	252,648	233,876
Depreciation of property, plant and equipment	168,029	169,960	326,890	342,149
Finance costs	126,071	128,219	256,248	256,762

**14. PROFIT BEFORE TAXATION (continued)**

Profit before taxation is arrived at after charging/(crediting) the following: (continued)

	Financial Quarter 3 Months Ended		Financial Period 6 Months Ended	
	30.06.2025 RM'000	30.06.2024 RM'000	30.06.2025 RM'000	30.06.2024 RM'000
Marked to market loss/(gain) on derivatives (net)	37,296	3,307	35,282	(12,996)
Unrealised foreign exchange differences (net)	4,880	(1,639)	1,413	143
Write-down of inventories (net)	547	22,979	1,072	25,304
Write-off of property, plant and equipment	175	87	197	423
Gain on disposal of (net):				
- investment securities	(18)	(1,798)	(2,987)	(9,221)
- property, plant and equipment	(138)	(537)	(2,632)	(364)
(Gain)/loss on fair value adjustment of investment securities (net)	(2,750)	(5,890)	19,388	(6,924)
Interest income on short-term deposits	(15,738)	(16,401)	(30,374)	(31,714)
(Write-back of)/allowance for financing of customers (net)	(9,521)	43,896	31,531	70,580
(Write-back of)/allowance for expected credit losses (net)	(500)	(2,175)	384	(5,944)

**15. REVIEW OF PERFORMANCE**

**15.1 Revenue**

	Group Business Sectors	Financial Quarter 3 Months Ended		Variance		Financial Period 6 Months Ended		Variance	
		30.06.2025 RM'000	30.06.2024 RM'000	RM'000	% +/-	30.06.2025 RM'000	30.06.2024 RM'000	RM'000	% +/-
(i)	Automotive	2,820,688	2,541,184	279,504	11.0	5,681,326	5,588,935	92,391	1.7
(ii)	Aerospace and Defence	178,736	206,271	(27,535)	-13.3	343,906	394,057	(50,151)	-12.7
(iii)	Postal	433,417	417,203	16,214	3.9	890,488	877,520	12,968	1.5
(iv)	Banking	556,578	524,822	31,756	6.1	1,089,665	1,035,235	54,430	5.3
(v)	Services	52,123	42,791	9,332	21.8	103,493	90,351	13,142	14.5
(vi)	Properties	94,275	26,106	68,169	261.1	140,916	105,196	35,720	34.0
	<b>Total</b>	<b>4,135,817</b>	<b>3,758,377</b>	<b>377,440</b>	<b>10.0</b>	<b>8,249,794</b>	<b>8,091,294</b>	<b>158,500</b>	<b>2.0</b>

## **15. REVIEW OF PERFORMANCE (continued)**

### **15.1 Revenue (continued)**

For the current quarter ended 30 June 2025, the Group's revenue increased by 10.0% to RM4.14 billion compared with RM3.76 billion in the corresponding quarter ended 30 June 2024, mainly attributable to higher sales from the Automotive, Properties, Banking, Postal and Services sectors.

For the six months ended 30 June 2025, the Group's revenue increased by 2.0% to RM8.25 billion from RM8.09 billion as compared to the corresponding period ended 30 June 2024.

#### **(i) Automotive Sector**

The revenue remained relatively stable with an increase of 1.7%. This was mainly attributable to higher contributions from PROTON, driven by a favourable sales mix and increased sales volume from automotive distribution companies.

#### **(ii) Aerospace and Defence Sector**

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

#### **(iii) Postal Sector**

The Postal sector recorded a slight increase in revenue, primarily from the in-flight catering business, driven by an increase in the number of meals uplifted. However, this was partially offset by the freight management business which experienced reduced customers volumes driven by increased market competition and prolonged downtime of a marine vessel undergoing dry-docking activity, as well as a decline in mail business.

#### **(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 higher revenue mainly from property concession development and property development projects.

## **15. REVIEW OF PERFORMANCE (continued)**

### **15.2 Profit Before Tax**

The Group's pre-tax profit increased to RM123.19 million for the current quarter ended 30 June 2025, compared with the pre-tax profit of RM25.93 million in the corresponding quarter ended 30 June 2024. The higher financial results were mainly driven by increased profit in the Banking sector, attributed to higher income from financing and investments, as well as a reduction in the allowance for impairment of financing due to improved recoveries from customers. Stronger performance in the Automotive, Postal, Properties, and Services sectors contributed to the overall improvement as well.

For the six months period ended 30 June 2025, the Group recorded a lower pre-tax profit of RM215.81 million, compared to RM236.70 million in the corresponding period of the previous year. The decrease was primarily attributed to weaker performance in the Postal, Properties, Aerospace and Defence, as well as Automotive sectors. Nonetheless, this was partially offset by stronger contributions from the Banking and Services sectors.

## **16. COMPARISON WITH THE PRECEDING QUARTER'S RESULTS**

Compared to the pre-tax profit of RM92.62 million in the preceding quarter ended 31 March 2025, the Group recorded a higher pre-tax profit of RM123.19 million for the current quarter ended 30 June 2025. This increase was primarily driven by improved contributions in the Banking sector.

## **17. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025**

The Malaysian economy is projected to grow between 4.0% and 4.8% in 2025, supported by resilient domestic demand. Bank Negara Malaysia reduced the Overnight Policy Rate to 2.75% in July 2025, aimed at preserving Malaysia's steady growth path amid moderate inflation prospects. Meanwhile, the global outlook remains challenging largely driven by uncertainties over US tariff policies and fiscal sustainability.

The Malaysian Automotive Association anticipates a lower Total Industry Volume in 2025 compared to 2024, with the sector continuing to be impacted by dampened consumer demand, rising competition, and potential effects from fuel subsidy rationalisation. The sales performance of the Group's new models will hinge on consumer sentiment and overall economic conditions.

Other businesses within the Group will remain focused on building resilience through stronger risk management and sustainability efforts. Digital transformation is progressing in the Banking and Postal segments, while other sectors, namely Aerospace and Defence, Services, and Properties remain committed to strengthening business capabilities for the long-term growth.

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 period in a public document.

**19. TAXATION**

Taxation comprises the following:

	Financial Quarter 3 Months Ended		Financial Period 6 Months Ended	
	30.06.2025 RM'000	30.06.2024 RM'000	30.06.2025 RM'000	30.06.2024 RM'000
Current taxation	35,831	25,614	62,791	90,145
Deferred taxation	(40,324)	(1,852)	(38,417)	(4,470)
<b>Total</b>	<b>(4,493)</b>	<b>23,762</b>	<b>24,374</b>	<b>85,675</b>

For the financial period ended 30 June 2025, the taxation charge arose mainly from certain profit-making subsidiaries and certain expenses, which were not deductible for income tax purposes.

**20. STATUS OF CORPORATE PROPOSALS**

On 8 August 2025, Composites Technology Research Malaysia Sdn. Bhd., a direct wholly-owned subsidiary of DRB-HICOM Berhad (“DRB-HICOM”), entered into a conditional share purchase agreement (“SPA”) with Spirit AeroSystems, Inc. and Spirit AeroSystems International Holdings, Inc. for the proposed acquisition of the entire equity interest in Spirit AeroSystems Malaysia Sdn. Bhd. (“Spirit MY”) (“Proposed Acquisition”). The purchase consideration will be derived from an enterprise value of USD95.2 million, with adjustments to be made for Spirit MY’s cash and indebtedness, as well as for any excess or shortfall in Spirit MY’s net working capital as of the benchmark time, being 11:59 p.m. Malaysian time on the day immediately prior to the completion date of the SPA, compared to the target net working capital of USD155.0 million. No adjustment will be made if Spirit MY’s net working capital as of the benchmark time is between USD140.0 million and USD170.0 million (both figures inclusive).

Upon completion of the Proposed Acquisition, Spirit MY will become an indirect wholly-owned subsidiary of DRB-HICOM. The Proposed Acquisition is subject to the fulfilment of the closing conditions under the SPA, which include, among others, approval from the shareholders of DRB-HICOM at an Extraordinary General Meeting to be convened, as well as approval from the European Commission and the United States Federal Trade Commission for CTRM to be the purchaser of Spirit MY.

**21. BORROWINGS**

Total Group borrowings are as follows:

	<b>As at 30.06.2025 RM'000</b>
<b>Short-Term Borrowings</b>	
<b>(a) Bank overdrafts - Secured</b>	963
<b>(b) Others</b>	
<u>Secured</u>	
Bankers acceptances	49,774
Revolving credits	66,546
Short-term loans	55,331
Hire purchase - portion repayable within 12 months	27,355
Long-term loans - portion repayable within 12 months	81,277
Long-term loans under Islamic financing - portion repayable within 12 months	324,394
Sub-total	604,677
<u>Unsecured</u>	
Bankers acceptances	362,713
Revolving credits	145,800
Long-term loans under Islamic financing - portion repayable within 12 months	8,044
Sub-total	516,557
<b>Total</b>	<b>1,121,234</b>
<b>(c) Long-Term Borrowings</b>	
<u>Secured</u>	
Hire purchase	98,575
- portion repayable within 12 months	(27,355)
	71,220
Long-term loans	506,443
- portion repayable within 12 months	(81,277)
	425,166
Long-term loans under Islamic financing	5,319,628
- portion repayable within 12 months	(324,394)
	4,995,234

**21. BORROWINGS (continued)**

Total Group borrowings are as follows: (continued)

	<b>As at 30.06.2025 RM'000</b>
<b>(c) Long-Term Borrowings (continued)</b>	
<u>Unsecured</u>	
Long-term loans under Islamic financing	807,475
- portion repayable within 12 months	(8,044)
	799,431
<b>Total</b>	<b>6,291,051</b>
<b>Grand Total</b>	<b>7,413,248</b>

- (d) 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:

<b>As at 30 June 2025</b>	<b>Foreign currency</b>	<b>Foreign '000</b>	<b>RM '000</b>
<b>Secured</b>			
- Short-term loans	USD	1,239	5,216
- Term loans under Islamic financing	USD	1,697	7,142
<b>Total</b>			<b>12,358</b>

**22. OUTSTANDING DERIVATIVES**

- (a) Derivatives outstanding as at 30 June 2025 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:

	<b>Contract/ Notional Value RM'000</b>	<b>Fair value</b>	
		<b>Assets RM'000</b>	<b>Liabilities RM'000</b>
Currency forward foreign exchange contracts	1,182,550	6,153	38,726
Currency swaps foreign exchange contracts	427,938	2,619	1,518

**22. OUTSTANDING DERIVATIVES (continued)**

(a) (continued)

	Contract/ Notional Value RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
Share put option	1,626	1,626	-
	1,612,114	10,398	40,244

There has been no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2024:

- (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 period ended 30 June 2025, the Group recognised a total net loss of RM35.28 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 30 June 2025.

**23. MATERIAL LITIGATION**

There is no material litigation as at the date of this report.

**24. DIVIDEND**

No interim dividend has been declared in the financial period ended 30 June 2025.

**25. EARNINGS PER SHARE**

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

**25. EARNINGS PER SHARE (continued)**

	<b>Financial Quarter 3 Months Ended</b>		<b>Financial Period 6 Months Ended</b>	
	<b>30.06.2025</b>	<b>30.06.2024</b>	<b>30.06.2025</b>	<b>30.06.2024</b>
Net profit/(loss) attributable to Owners of the Company (RM'000)	58,092	(17,076)	75,815	74,462
Number of ordinary shares in issue ('000)	1,933,237	1,933,237	1,933,237	1,933,237
Basic and diluted earnings/(loss) per share (sen)	<b>3.00</b>	<b>(0.88)</b>	<b>3.92</b>	<b>3.85</b>

**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 August 2025