

## QUARTERLY REPORT

On the consolidated results for the second quarter ended 31 December 2021

The Directors are pleased to announce the following:

### Unaudited Condensed Consolidated Statement of Profit or Loss Amounts in RM million unless otherwise stated

	Note	Quarter ended 31 December		%	Half-year ended 31 December		%
		2021	2020		2021	2020	
Revenue	A7	10,536	11,243	(6.3)	21,209	22,120	(4.1)
Operating expenses		(10,101)	(10,807)		(20,449)	(21,341)	
Other operating income		43	67		90	134	
Other gains and losses		2	304		2	320	
Operating profit		480	807	(40.5)	852	1,233	(30.9)
Share of results of joint ventures		12	12		26	28	
Share of results of associates		11	24		19	29	
<b>Profit before interest and tax</b>	A7	<b>503</b>	843	(40.3)	<b>897</b>	1,290	(30.5)
Finance income		11	9		24	21	
Finance costs		(33)	(28)		(66)	(61)	
<b>Profit before tax</b>	B5	<b>481</b>	824	(41.6)	<b>855</b>	1,250	(31.6)
Taxation	B6	(106)	(156)		(213)	(276)	
<b>Profit for the period</b>		<b>375</b>	668	(43.9)	<b>642</b>	974	(34.1)
<b>Attributable to owners of:</b>							
- the Company		345	633	(45.5)	581	914	(36.4)
- non-controlling interests		30	35		61	60	
<b>Profit for the period</b>		<b>375</b>	668	(43.9)	<b>642</b>	974	(34.1)
		Sen	Sen		Sen	Sen	
<b>Basic earnings per share attributable to owners of the Company</b>	B12	<b>5.1</b>	9.3	(45.2)	<b>8.5</b>	13.4	(36.6)

The unaudited Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2021.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

**Unaudited Condensed Consolidated Statement of Comprehensive Income**  
**Amounts in RM million unless otherwise stated**

	<b>Quarter ended</b>		<b>Half-year ended</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Profit for the period</b>	<b>375</b>	668	<b>642</b>	974
<b>Other comprehensive income:</b>				
<b>Items that will be reclassified subsequently to profit or loss:</b>				
Currency translation differences	<b>59</b>	222	<b>(83)</b>	209
Share of other comprehensive income of joint ventures and associates	<b>2</b>	9	<b>1</b>	2
Net changes in fair value of cash flow hedges	<b>9</b>	16	<b>4</b>	21
Tax expense	<b>(2)</b>	(4)	<b>(2)</b>	(5)
	<b>68</b>	243	<b>(80)</b>	227
Currency translation differences on repayment of net investment and disposal of subsidiaries reclassified to profit or loss	<b>-</b>	4	<b>-</b>	(6)
Changes in fair value of cash flow hedges reclassified to profit or loss and inventories	<b>9</b>	(14)	<b>5</b>	(16)
Tax (expense)/credit	<b>(3)</b>	4	<b>(2)</b>	4
	<b>74</b>	237	<b>(77)</b>	209
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Share of actuarial gain on defined benefit pension plans of a joint venture	<b>-</b>	-	<b>-</b>	2
Total other comprehensive income/(loss)	<b>74</b>	237	<b>(77)</b>	211
<b>Total comprehensive income for the period</b>	<b>449</b>	905	<b>565</b>	1,185
<b>Attributable to owners of:</b>				
- the Company	<b>417</b>	862	<b>501</b>	1,119
- non-controlling interests	<b>32</b>	43	<b>64</b>	66
<b>Total comprehensive income for the period</b>	<b>449</b>	905	<b>565</b>	1,185

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2021.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

**Unaudited Condensed Consolidated Statement of Financial Position**  
**Amounts in RM million unless otherwise stated**

	Note	Unaudited As at 31 December 2021	Audited As at 30 June 2021
<b><u>Non-current assets</u></b>			
Property, plant and equipment		6,557	6,225
Right-of-use assets		2,042	2,038
Investment properties		271	275
Intangible assets		1,595	1,629
Joint ventures and associates		1,307	1,236
Financial assets at fair value through profit or loss		130	130
Deferred tax assets		601	590
Tax recoverable		38	41
Receivables and other assets		347	373
		<b>12,888</b>	<b>12,537</b>
<b><u>Current assets</u></b>			
Inventories		7,573	8,320
Financial assets at fair value through profit or loss		38	16
Receivables, contract assets and other assets		4,674	4,416
Prepayments		1,410	673
Tax recoverable		90	48
Derivative assets	B9(a)	4	4
Bank balances, deposits and cash		2,014	2,473
		<b>15,803</b>	<b>15,950</b>
<b>Assets held for sale</b>		<b>1</b>	<b>–</b>
<b>Total assets</b>		<b>28,692</b>	<b>28,487</b>
<b><u>Equity</u></b>			
Share capital		9,318	9,302
Reserves		6,414	6,581
<b>Attributable to owners of the Company</b>		<b>15,732</b>	<b>15,883</b>
Non-controlling interests		378	377
<b>Total equity</b>		<b>16,110</b>	<b>16,260</b>
<b><u>Non-current liabilities</u></b>			
Borrowings	B8	499	373
Lease liabilities		1,481	1,506
Payables, contract liabilities and other liabilities		248	184
Government grants		69	69
Provisions		29	24
Deferred tax liabilities		375	307
		<b>2,701</b>	<b>2,463</b>
<b><u>Current liabilities</u></b>			
Borrowings	B8	1,717	1,454
Lease liabilities		391	401
Derivative liabilities	B9(a)	12	11
Payables and other liabilities		4,998	5,285
Contract liabilities		2,184	1,961
Provisions		400	420
Tax payable		179	232
		<b>9,881</b>	<b>9,764</b>
<b>Total liabilities</b>		<b>12,582</b>	<b>12,227</b>
<b>Total equity and liabilities</b>		<b>28,692</b>	<b>28,487</b>
Net assets per share attributable to owners of the Company (RM)		<b>2.31</b>	<b>2.33</b>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2021.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

**Unaudited Condensed Consolidated Statement of Changes in Equity**  
**Amounts in RM million unless otherwise stated**

	Share capital	Share grant reserve	Capital reserve	Legal reserve	Hedging reserve	Exchange reserve	Retained profits	Reserves	Attributable to owners of the Company	Non-controlling interests	Total equity
<b>Half-year ended 31 December 2021</b>											
At 1 July 2021	9,302	21	243	119	(5)	624	5,579	6,581	15,883	377	16,260
Total comprehensive income/(loss) for the period	-	-	-	-	5	(85)	581	501	501	64	565
Dividends paid	-	-	-	-	-	-	(612)	(612)	(612)	(37)	(649)
Purchase of additional interest in a subsidiary	-	-	-	-	-	-	(45)	(45)	(45)	(26)	(71)
Performance-based employee share scheme expenses	-	5	-	-	-	-	-	5	5	-	5
Issuance of shares under the performance-based employee share scheme	16	(16)	-	-	-	-	-	(16)	-	-	-
Transfer between reserves	-	-	3	23	-	-	(26)	-	-	-	-
At 31 December 2021	9,318	10	246	142	-	539	5,477	6,414	15,732	378	16,110

**Unaudited Condensed Consolidated Statement of Changes in Equity**  
Amounts in RM million unless otherwise stated

	Share capital	Share grant reserve	Capital reserve	Legal reserve	Hedging reserve	Exchange reserve	Retained profits	Reserves	Attributable to owners of the Company	Non-controlling interests	Total equity
<b>Half-year ended 31 December 2020</b>											
At 1 July 2020	9,300	15	233	111	3	178	5,157	5,697	14,997	416	15,413
Total comprehensive income for the period	-	-	-	-	5	198	916	1,119	1,119	66	1,185
Dividends paid	-	-	-	-	-	-	(544)	(544)	(544)	(16)	(560)
Disposal of non-wholly owned subsidiaries	-	-	-	-	-	-	-	-	-	(75)	(75)
Purchase of additional interest in a subsidiary	-	-	-	-	-	-	(46)	(46)	(46)	(32)	(78)
Performance-based employee share scheme expenses	-	8	-	-	-	-	-	8	8	-	8
Issuance of shares under the performance-based employee share scheme	2	(2)	-	-	-	-	-	(2)	-	-	-
Transfer between reserves	-	-	(18)	9	-	-	9	-	-	-	-
At 31 December 2020	9,302	21	215	120	8	376	5,492	6,232	15,534	359	15,893

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2021.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

**Unaudited Condensed Consolidated Statement of Cash Flows**  
**Amounts in RM million unless otherwise stated**

	Note	Half-year ended 31 December	
		2021	2020
<b>Cash flow from operating activities</b>			
Profit for the period		642	974
Adjustments for:			
Share of results of joint ventures and associates		(45)	(57)
Finance income		(24)	(21)
Finance costs		66	61
Taxation		213	276
Loss on disposal of subsidiaries		–	2
Gain on disposal of associate		–	(294)
Net gain on disposal of fixed assets		(2)	(2)
Depreciation and amortisation		572	581
Reversal of impairment of property, plant and equipment		–	(1)
Reversal of impairment and write off of receivables (net)		(8)	(1)
Inventory write-down and provision (net)		13	28
Fair value (gain)/loss on financial assets at fair value through profit or loss (“FVTPL”)		(3)	2
Other non-cash items		9	(11)
		<b>1,433</b>	<b>1,537</b>
<b>Changes in working capital:</b>			
Inventories		926	1,461
Rental assets		(343)	(403)
Trade, other receivables and prepayments		(918)	(1,151)
Trade, other payables and provisions		(44)	552
		<b>1,054</b>	<b>1,996</b>
<b>Cash generated from operations</b>			
Tax paid		(299)	(327)
Dividends received from associates and joint ventures		3	107
		<b>758</b>	<b>1,776</b>
<b>Net cash from operating activities</b>			
<b>Cash flow from investing activities</b>			
Finance income received		15	12
Purchase of fixed assets		(323)	(223)
Acquisition of a subsidiary	A11	(244)	–
Acquisition of businesses		–	(26)
Subscription of shares in an associate		–	(1)
Addition to financial assets at FVTPL		(33)	(2)
Proceeds from sale of subsidiaries		–	19
Proceeds from sale of an associate		–	300
Proceeds from sale of financial assets at FVTPL		16	–
Proceeds from sale of fixed assets		32	132
Loans to joint ventures		(86)	–
		<b>(623)</b>	<b>211</b>
<b>Net cash (used in)/from investing activities</b>			

Fixed assets consist of property, plant and equipment, right-of-use assets, investment properties and intangible assets.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

**Unaudited Condensed Consolidated Statement of Cash Flows (continued)**  
**Amounts in RM million unless otherwise stated**

		<b>Half-year ended</b>	
		<b>31 December</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Cash flow from financing activities</b>			
Finance costs paid		(25)	(28)
Net borrowings raised/(repaid)		343	(916)
Repayment of lease liabilities		(253)	(239)
Purchase of additional interest in a subsidiary	A11	(71)	(78)
Dividends paid to shareholders		(612)	(544)
Dividends paid to non-controlling interests <sup>1</sup>		(52)	(26)
<b>Net cash used in financing activities</b>		<u>(670)</u>	<u>(1,831)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(535)</b>	156
Foreign exchange differences		13	(16)
Cash and cash equivalents at beginning of the period		<u>2,417</u>	<u>1,650</u>
<b>Cash and cash equivalents at end of the period</b>		<u><b>1,895</b></u>	<u>1,790</u>
For the purpose of the Statement of Cash Flows, cash and cash equivalents comprised the following:			
Bank balances, deposits and cash		<b>2,014</b>	1,822
Less:			
Bank overdrafts	B8	<u>(119)</u>	<u>(32)</u>
		<u><b>1,895</b></u>	<u>1,790</u>

<sup>1</sup> Dividends paid to other shareholders of non-wholly owned subsidiaries. The amount paid in the current period includes RM15 million declared in the previous financial year.

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2021.

## **EXPLANATORY NOTES**

This interim financial report is prepared in accordance with the requirements of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Malaysian Financial Reporting Standard (“MFRS”) 134 – Interim Financial Reporting and other MFRS issued by the Malaysian Accounting Standards Board (“MASB”). The interim financial report is unaudited and should be read in conjunction with the Group’s audited annual financial statements for the financial year ended 30 June 2021.

### **A. EXPLANATORY NOTES PURSUANT TO MFRS 134**

#### **A1. Basis of Preparation**

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited annual financial statements for the financial year ended 30 June 2021, except as set out below.

##### **a) New accounting pronouncements**

i) Accounting pronouncements adopted for this interim financial report that do not have a material impact on the Group are set out below:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 ‘Interest Rate Benchmark Reform – Phase 2’

ii) Accounting pronouncements that are not yet effective are set out below:

##### Effective for annual reporting periods beginning on or after 1 January 2022

- Annual Improvements to MFRS Standards 2018 – 2020: Amendments to MFRS 9 ‘Fees in the 10% Test for Derecognition of Financial Liabilities’ and Illustrative Examples accompanying MFRS 16 ‘Lease incentives’.
- Amendments to MFRS 3 ‘Reference to Conceptual Framework’
- Amendments to MFRS 116 ‘Proceeds before Intended Use’
- Amendments to MFRS 137 ‘Onerous Contracts – Cost of Fulfilling a Contract’

##### Effective for annual reporting periods beginning on or after 1 January 2023

- MFRS 17 – Insurance Contracts and Amendments to MFRS 17
- Amendments to MFRS 17 ‘Initial Application of MFRS 17 and MFRS 9 – Comparative Information’
- Amendments to MFRS 101 ‘Classification of Liabilities as Current or Non-current’
- Amendments to MFRS 101 ‘Disclosure of Accounting Policies’
- Amendments to MFRS 108 ‘Definition of Accounting Estimates’
- Amendments to MFRS 112 ‘Deferred Tax related to Assets and Liabilities arising from a Single Transaction’

iii) Accounting pronouncement where the effective date has been deferred to a date to be determined by MASB is set out below:

- Amendments to MFRS 10 and MFRS 128 ‘Sale or Contribution of Assets between an Investor and its Associate or Joint Venture’



**A2. Seasonal or Cyclical Factors**

The Group's operations are not materially affected by seasonal or cyclical factors.

**A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

Except as disclosed in the financial statements on pages 1 to 7 and notes B1 and B2, there were no material unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the financial period under review.

**A4. Material Changes in Estimates**

Except as disclosed in notes B1 and B2, there were no material changes in the estimates of amounts reported in the previous financial years that have a material effect on the results for the current quarter under review.

**A5. Debt and Equity Securities**

Save for the following, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review.

Share capital

On 9 December 2021, the Company issued 1,014,400 new ordinary shares at an issue price of RM2.522 and 5,869,600 new ordinary shares at an issue price of RM2.107 under the Performance-Based Employee Share Scheme of FY2018/19 Restricted Share Grant. The Company also issued 497,100 new ordinary shares under the Performance-Based Employee Share Scheme FY2019/20 Restricted Share Grant at an issue price of RM2.047. With the allotment of the new shares, the Company's issued and paid-up capital has increased from 6,802,537,377 ordinary shares to 6,809,918,477 ordinary shares.

**A6. Dividends Paid to Shareholders**

The second interim dividend of 8.0 sen per share amounting to RM544 million and special dividend of 1.0 sen per share amounting to RM68 million which totalled RM612 million for the financial year ended 30 June 2021 was paid by way of cash on 30 September 2021.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

Explanatory Notes on the Quarterly Report – 31 December 2021  
Amounts in RM million unless otherwise stated

**A7. Segment Information**

<b>Half-year ended 31 December 2021</b>	<b>Industrial</b>	<b>Motors</b>	<b>Logistics</b>	<b>Healthcare</b>	<b>Others</b>	<b>Corporate/ Intra-group adjustments</b>	<b>Total</b>
<b>Segment revenue:</b>							
External	7,488	13,611	82	–	28	–	21,209
Inter-segment	1	7	–	–	4	(12)	–
	<u>7,489</u>	<u>13,618</u>	<u>82</u>	<u>–</u>	<u>32</u>	<u>(12)</u>	<u>21,209</u>
<b>Profit/(loss) before interest and tax</b>	<u>373</u>	<u>511</u>	<u>12</u>	<u>24</u>	<u>11</u>	<u>(34)</u>	<u>897</u>
Net finance costs							(42)
Taxation							(213)
<b>Profit for the period</b>							<u>642</u>

<b>Half-year ended 31 December 2020</b>							
<b>Segment revenue:</b>							
External	7,706	14,298	88	–	28	–	22,120
Inter-segment	1	7	–	–	3	(11)	–
	<u>7,707</u>	<u>14,305</u>	<u>88</u>	<u>–</u>	<u>31</u>	<u>(11)</u>	<u>22,120</u>
<b>Profit/(loss) before interest and tax</b>	<u>452</u>	<u>505</u>	<u>9</u>	<u>25</u>	<u>332</u>	<u>(33)</u>	<u>1,290</u>
Net finance costs							(40)
Taxation							(276)
<b>Profit for the period</b>							<u>974</u>

<b>As at 31 December 2021</b>	<b>Industrial</b>	<b>Motors</b>	<b>Logistics</b>	<b>Healthcare</b>	<b>Others</b>	<b>Corporate/ Intra-group adjustments</b>	<b>Total</b>
Segment assets	11,900	12,070	1,929	685	152	1,227	27,963
Segment liabilities	(3,014)	(4,447)	(136)	–	(350)	7	(7,940)
Segment invested capital	<u>8,886</u>	<u>7,623</u>	<u>1,793</u>	<u>685</u>	<u>(198)</u>	<u>1,234</u>	<u>20,023</u>
Net tax assets							175
Borrowings and lease liabilities							(4,088)
<b>Total equity</b>							<u>16,110</u>

<b>As at 30 June 2021</b>							
Segment assets	11,973	11,792	1,893	659	154	1,337	27,808
Segment liabilities	(2,981)	(4,450)	(149)	–	(355)	(19)	(7,954)
Segment invested capital	<u>8,992</u>	<u>7,342</u>	<u>1,744</u>	<u>659</u>	<u>(201)</u>	<u>1,318</u>	<u>19,854</u>
Net tax assets							140
Borrowings and lease liabilities							(3,734)
<b>Total equity</b>							<u>16,260</u>

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

Explanatory Notes on the Quarterly Report – 31 December 2021  
Amounts in RM million unless otherwise stated

**A7. Segment information (continued)**

Revenue comprise the following:

	<b>Half-year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
Revenue from contracts with customers	<b>20,774</b>	21,721
Rental income	<b>435</b>	399
	<b>21,209</b>	22,120

Analysis of the Group's revenue from contracts with customers is as follows:

<b>Half-year ended 31 December 2021</b>	<b>Industrial</b>	<b>Motors</b>	<b>Logistics</b>	<b>Others</b>	<b>Total</b>
<b>Major goods and services</b>					
Sale of equipment and vehicles	<b>3,595</b>	<b>11,183</b>	–	–	<b>14,778</b>
Sale of parts, assembly charges and provision of after-sales services	<b>3,397</b>	<b>2,100</b>	–	–	<b>5,497</b>
Engineering services	<b>187</b>	–	–	–	<b>187</b>
Port and related charges	–	–	<b>82</b>	–	<b>82</b>
Commission, handling fees and others	–	<b>213</b>	–	<b>17</b>	<b>230</b>
	<b>7,179</b>	<b>13,496</b>	<b>82</b>	<b>17</b>	<b>20,774</b>
<b>Geographical location</b>					
Malaysia	<b>452</b>	<b>2,118</b>	–	<b>13</b>	<b>2,583</b>
China	<b>1,520</b>	<b>6,736</b>	<b>82</b>	<b>2</b>	<b>8,340</b>
Other countries in Asia	<b>356</b>	<b>2,338</b>	–	<b>2</b>	<b>2,696</b>
Australasia	<b>4,851</b>	<b>2,304</b>	–	–	<b>7,155</b>
	<b>7,179</b>	<b>13,496</b>	<b>82</b>	<b>17</b>	<b>20,774</b>
<b>Timing of revenue recognition</b>					
At a point in time	<b>5,588</b>	<b>11,594</b>	–	<b>11</b>	<b>17,193</b>
Over time	<b>1,591</b>	<b>1,902</b>	<b>82</b>	<b>6</b>	<b>3,581</b>
	<b>7,179</b>	<b>13,496</b>	<b>82</b>	<b>17</b>	<b>20,774</b>

<b>Half-year ended 31 December 2020</b>	<b>Industrial</b>	<b>Motors</b>	<b>Logistics</b>	<b>Others</b>	<b>Total</b>
<b>Major goods and services</b>					
Sale of equipment and vehicles	3,917	11,930	–	–	15,847
Sale of parts, assembly charges and provision of after-sales services	3,355	2,043	–	–	5,398
Engineering services	143	–	–	–	143
Port and related charges	–	–	88	–	88
Commission, handling fees and others	–	225	–	20	245
	7,415	14,198	88	20	21,721

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**(Company No: 200601032645 (752404-U))**

Explanatory Notes on the Quarterly Report – 31 December 2021  
 Amounts in RM million unless otherwise stated

**A7. Segment information (continued)**

Analysis of the Group's revenue from contracts with customers is as follows: (continued)

<b>Half-year ended 31 December 2020</b>	<b>Industrial</b>	<b>Motors</b>	<b>Logistics</b>	<b>Others</b>	<b>Total</b>
<b>Geographical location</b>					
Malaysia	478	2,371	–	16	2,865
China	2,345	7,032	88	2	9,467
Other countries in Asia	293	2,637	–	2	2,932
Australasia	4,299	2,158	–	–	6,457
	<u>7,415</u>	<u>14,198</u>	<u>88</u>	<u>20</u>	<u>21,721</u>
<b>Timing of revenue recognition</b>					
At a point in time	5,947	12,230	–	12	18,189
Over time	1,468	1,968	88	8	3,532
	<u>7,415</u>	<u>14,198</u>	<u>88</u>	<u>20</u>	<u>21,721</u>

**A8. Capital Commitments**

Contracted capital expenditure not provided for in the interim financial report is as follows:

	<b>As at 31 December 2021</b>	<b>As at 30 June 2021</b>
Contracted:		
- Property, plant and equipment	467	342
- Other capital expenditure	22	6
	<u>489</u>	<u>348</u>

**A9. Significant Related Party Transactions**

Significant related party transactions conducted during the half-year ended 31 December are as follows:

	<b>Half-year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
<b>a. Transactions with joint ventures and associates</b>		
Purchase of products and services from Sitech Construction Systems Pty Ltd	9	9
Contribution paid to Yayasan Sime Darby	10	–
Loans to Weifang Sime Darby West Port Co Ltd	6	36 <sup>1</sup>
Loans repaid by Weifang Sime Darby West Port Co Ltd	–	36 <sup>1</sup>
Loans to Weifang Sime Darby Liquid Terminal Co Ltd	80	–

<sup>1</sup> Relates to exercise to effect change in the lending entity

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**A9. Significant Related Party Transactions (continued)**

Significant related party transactions conducted during the half-year ended 31 December are as follows:  
(continued)

	<b>Half-year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
<b>b. Transactions between subsidiaries and non-controlling interests</b>		
Contract assembly service provided by Inokom Corporation Sdn Bhd (“ICSB”) to Mazda Malaysia Sdn Bhd	<b>32</b>	40
Rental income received by ICSB from Mazda Malaysia Sdn Bhd	<b>1</b>	1
Sale of motor vehicles and parts by Jaguar Land Rover (M) Sdn Bhd to Sisma Auto Sdn Bhd	<b>6</b>	15

**c. Transactions with shareholders and their related companies**

Permodalan Nasional Berhad (“PNB”) and the funds managed by its subsidiary, Amanah Saham Nasional Berhad together, as at 31 December 2021, own approximately 51% of the issued share capital of the Company. PNB is an entity controlled by the Malaysian Government through Yayasan Pelaburan Bumiputra (“YPB”). The Group considers that, for the purpose of MFRS 124 – Related Party Disclosures, YPB and the Malaysian Government are in the position to exercise significant influence over it. As a result, the Malaysian Government and Malaysian Government’s controlled bodies (collectively referred to as government-related entities) are related parties of the Group and the Company.

Significant related party transactions with the Sime Darby Plantation Berhad group are as follows:

	<b>Half-year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
Sales, servicing and leasing of equipment and vehicles	<b>15</b>	13
Rental income	<b>7</b>	5
Royalty income	<b>2</b>	2
Foreign currency payment arrangement	<b>–</b>	54

**A10. Material Events Subsequent to the End of the Financial Period**

There were no material events subsequent to the end of the current quarter under review to 10 February 2022, being a date not earlier than 7 days from the date of issue of the quarterly report.

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**A11. Effect of Significant Changes in the Composition of the Group**

Significant changes in the composition of the Group are as follows:

1. Acquisition of a subsidiary

On 1 October 2021, the Group completed the acquisition of the entire equity interest of Salmon Earthmoving Holdings Pty Ltd for a total purchase consideration of AUD115 million (approximately RM347 million).

Salmon Earthmoving is a leading provider of rental and maintenance services in Australia servicing the civil construction, agricultural and mining sectors.

Details of net assets and net cash outflow arising from the acquisition of the subsidiary are as follows:

Fair value of net assets acquired	<b>318</b>
Goodwill	<b>29</b>
Purchase consideration	<b>347</b>
Less: Cash and cash equivalents of subsidiary acquired	<b>(17)</b>
Balance consideration	<b>(86)</b>
Net cash outflow on acquisition	<b>244</b>

The fair value of net assets and goodwill in the above acquisition are provisional and will be adjusted, if necessary, upon completion of the purchase price allocation as allowed under MFRS 3.

2. Purchase of additional interest in a subsidiary

On 28 October 2021, the Group acquired the remaining 40% equity interest in Performance Premium Selection Limited ("PPSL") for a consideration of SGD23 million (approximately RM71 million), resulting in PPSL becoming a wholly-owned subsidiary of the Group.

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**A12. Contingent Liabilities – unsecured**

a) Guarantees

In the ordinary course of business, the Group issues surety bonds and letters of credit, which the Group provides to customers to secure advance payment, performance under contracts or in lieu of retention being withheld on contracts. Financial guarantees are also issued to financial institutions in respect of credit facilities granted to certain joint ventures. A liability from the performance and financial guarantees would only arise in the event the Group fails to fulfil its contractual obligations.

The performance guarantees and financial guarantees are as follows:

	<b>As at 31 December 2021</b>	<b>As at 30 June 2021</b>
Performance guarantees and advance payment guarantees to customers of the Group	<b>2,250</b>	2,228
Guarantees in respect of credit facilities granted to certain joint ventures	<b>98</b>	197
	<b><u>2,348</u></b>	<u>2,425</u>

In addition, the Group guarantees the payment from its customers under a risk sharing arrangement with a third party leasing company in connection with the sale of its equipment up to a pre-determined amount. As at 31 December 2021, the total outstanding risk sharing amount on which the Group has an obligation to pay the leasing company should the customers default, amounted to RM325 million (30 June 2021: RM431 million).

b) Claims

	<b>As at 31 December 2021</b>	<b>As at 30 June 2021</b>
Potential claims	<b><u>13</u></b>	<u>18</u>

The claims include disputed amounts for the supply of goods and services.

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**B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of Group Performance**

	Quarter ended 31 December			Half-year ended 31 December		
	2021	2020	% +/(-)	2021	2020	% +/(-)
Revenue	<b>10,536</b>	11,243	(6.3)	<b>21,209</b>	22,120	(4.1)
Segment results:						
Industrial	<b>213</b>	256	(16.8)	<b>373</b>	452	(17.5)
Motors	<b>284</b>	282	0.7	<b>511</b>	505	1.2
Logistics	<b>9</b>	3	>100.0	<b>12</b>	9	33.3
Healthcare	<b>11</b>	11	-	<b>24</b>	25	(4.0)
Others	<b>7</b>	319	(97.8)	<b>11</b>	332	(96.7)
	<b>524</b>	871	(39.8)	<b>931</b>	1,323	(29.6)
Foreign exchange (loss)/gain from repayment of net investments	<b>-</b>	(8)		<b>-</b>	2	
Corporate expenses	<b>(21)</b>	(20)		<b>(34)</b>	(35)	
<b>Profit before interest and tax</b>	<b>503</b>	843	(40.3)	<b>897</b>	1,290	(30.5)
Finance income	<b>11</b>	9		<b>24</b>	21	
Finance costs	<b>(33)</b>	(28)		<b>(66)</b>	(61)	
<b>Profit before tax</b>	<b>481</b>	824	(41.6)	<b>855</b>	1,250	(31.6)
Taxation	<b>(106)</b>	(156)		<b>(213)</b>	(276)	
<b>Profit for the period</b>	<b>375</b>	668	(43.9)	<b>642</b>	974	(34.1)
Non-controlling interests	<b>(30)</b>	(35)		<b>(61)</b>	(60)	
<b>Profit attributable to owners of the Company</b>	<b>345</b>	633	(45.5)	<b>581</b>	914	(36.4)

An analysis of the results for the quarter ended 31 December 2021 against the quarter ended 31 December 2020 is as follows:

The Group's profit attributable to owners of the Company ("Net Profit") declined by 45.5% mainly due to the inclusion of the gain on disposal of the Group's 30% equity interest in Tesco Stores (Malaysia) Sdn Bhd ("Tesco Malaysia") of RM272 million (net of tax) in the previous corresponding period. Excluding this gain, the Group's Net Profit declined by 4.4% primarily due to the lower profit from the Industrial division.

**a) Industrial**

Profit before interest and tax ("PBIT") decreased by 16.8% to RM213 million mainly due to the lower profit from the China and Australasia operations. PBIT in China declined by 41.8% largely due to weaker rental fleet utilisation, contraction in industry volume and lower margins from the product support segment. Australasia registered a lower profit by 10.7% which mainly stemmed from lower operating margins.



**B1. Review of Group Performance (continued)**

An analysis of the results for the quarter ended 31 December 2021 against the quarter ended 31 December 2020 is as follows: (continued)

**b) Motors**

Overall PBIT was only marginally higher as the higher profits from New Zealand and Malaysia were substantially offset by the lower profit from the Greater China operations. PBIT in New Zealand more than doubled mainly due to strong performance from the commercial vehicle and transport operations. The higher PBIT in Malaysia was mainly attributed to higher vehicle margins and higher contribution from the retail operations. PBIT in Greater China was lower mainly due to lower unit sales in China (due to shortage of inventories) and lower profit in Hong Kong, which recognised wage subsidies in the previous corresponding period.

**c) Logistics**

PBIT was higher mainly due to the losses from the Jining Ports operations and disposal in the previous corresponding period. The Jining Ports operations were divested in December 2020.

**d) Others**

The results for the previous corresponding period included the gain on disposal of Tesco Malaysia of RM294 million (before tax), reversal of impairment of the Group's investment in Eastern & Oriental Berhad ("E&O") of RM12 million and foreign exchange gain from the legacy oil & gas operations of RM7 million.

An analysis of the results for the half-year ended 31 December 2021 against the half-year ended 31 December 2020 is as follows:

The Group's Net Profit decreased by 36.4% mainly due to the inclusion of the gain on disposal of the Group's 30% equity interest in Tesco Malaysia of RM272 million (net of tax) in the previous corresponding period. Excluding this gain, the Group's Net Profit declined by 9.5% mainly due to the weaker results from the Industrial division.

**a) Industrial**

Overall PBIT decreased by 17.5% to RM373 million mainly due to a 57.5% fall in profit from the China operations from RM113 million to RM48 million and lower profit from the Australasian operations as explained in the results for the quarter ended 31 December 2021.

**b) Motors**

PBIT was only slightly higher as the significantly higher contribution from New Zealand and Malaysia were largely offset by the lower profit from the Greater China operations, due to similar reasons as explained earlier.

The variance for Logistics and Others are largely as explained in notes (c) and (d) of the results for the quarter ended 31 December 2021.

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**B2. Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter**

	Quarter ended		%
	31 December 2021	30 September 2021	
Revenue	<u>10,536</u>	<u>10,673</u>	(1.3)
Segment results:			
Industrial	213	160	33.1
Motors	284	227	25.1
Logistics	9	3	>100.0
Healthcare	11	13	(15.4)
Others	<u>7</u>	<u>4</u>	75.0
	524	407	28.7
Corporate expenses	<u>(21)</u>	<u>(13)</u>	
<b>Profit before interest and tax</b>	<b>503</b>	394	27.7
Finance income	11	13	
Finance costs	<u>(33)</u>	<u>(33)</u>	
<b>Profit before tax</b>	<b>481</b>	374	28.6
Taxation	<u>(106)</u>	<u>(107)</u>	
<b>Profit for the period</b>	<b>375</b>	267	40.4
Non-controlling interests	<u>(30)</u>	<u>(31)</u>	
<b>Profit attributable to owners of the Company</b>	<b><u>345</u></b>	<b><u>236</u></b>	46.2

An analysis of the results for the quarter ended 31 December 2021 against the quarter ended 30 September 2021 is as follows:

The Group's Net Profit increased by 46.2% against the preceding quarter mainly due the stronger results from the Industrial and Motors divisions.

**a) Industrial**

PBIT increased by 33.1% to RM213 million in the current quarter mainly due to higher profits from the Australasia and China operations. The higher PBIT in Australasia was mainly due to the improvement in parts margins while the China operations performed better mainly due to higher parts revenue and rebates.

**b) Motors**

PBIT increased by 25.1% to RM284 million in the current quarter mainly attributed to the higher vehicle margins in China and the higher sales volume in Australasia as the Australasian operations were affected by the COVID-19 restrictions in the preceding quarter.

**c) Logistics**

PBIT was significantly higher mainly due to foreign exchange gains of RM5 million recognised in the current quarter as against foreign exchange gains of less than RM1 million in the preceding quarter.

**d) Healthcare**

The share of results from the Ramsay Sime Darby Health Care Sdn Bhd ("RSDH") joint venture was lower mainly due to dividend withholding taxes recognised by RSDH during the current quarter.

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**B3. Prospects**

The Group's results in the first half of the financial year have been satisfactory despite the challenges posed by adverse market conditions for industrial equipment in China and COVID-19 restrictions. While the COVID-19 restrictions at the Group's operations had eased in the second quarter of the financial year, the rising number of cases may still pose a risk on operations in the near term.

The heavy equipment market in China is expected to contract. However, this is mitigated by the expected strong equipment deliveries in Australasia driven by strong coal prices and government fiscal stimulus. The acquisition of Salmon Earthmoving in Australia will expand the rental equipment business and is expected to contribute positively to the profits of the Industrial division.

Demand for luxury vehicles is likely to remain strong, particularly in China. However, supply constraints will continue to impact the availability of certain models. This is expected to be partly mitigated by the higher vehicle margins as a result of lower discounting.

On 30 December 2021, the Ministry of Finance of Malaysia announced that foreign sourced dividend income received in Malaysia will continue to be exempted from further taxation, for another 5 years until 31 December 2026, subject to conditions to be outlined by Lembaga Hasil Dalam Negeri. With this announcement, the Group is unlikely to incur additional tax as a result of the Malaysian Finance Bill 2021.

Taking into account the net one-off gains mainly from disposal of non-core assets recorded in the previous financial year and barring any unforeseen circumstances, the Board expects the Group's financial performance for the financial year ending 30 June 2022 to be satisfactory.

**B4. Variance of Actual Profit from Profit Forecast or Profit Guarantee**

Not applicable as there was no profit forecast or profit guarantee issued.

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**B5. Profit before tax**

	Quarter ended 31 December		Half-year ended 31 December	
	2021	2020	2021	2020
Included in operating profit are:				
Depreciation and amortisation	(293)	(287)	(572)	(581)
Inventory writedown and provision (net)	(24)	–	(13)	(28)
(Impairment)/reversal of impairment and write off of receivables (net)	(3)	(1)	8	1
Reversal of impairment of property, plant and equipment	–	1	–	1
Loss on disposal of subsidiaries	–	(2)	–	(2)
Gain on disposal of associate	–	294	–	294
Net gain on disposal of fixed assets	1	–	2	2
Net foreign exchange gain/(loss)	–	14	(3)	28
Fair value gain/(loss) on financial assets at fair value through profit or loss	2	(1)	3	(2)
Net loss on derivatives	(2)	(2)	(1)	(1)
Net gain on lease modification/termination	1	–	1	–
Included in share of associate results is:				
Reversal of impairment of associates	–	12	–	12

**B6. Taxation**

	Quarter ended 31 December		Half-year ended 31 December	
	2021	2020	2021	2020
Current tax:				
- current year	112	136	198	241
- previous years	1	(4)	12	(3)
	<u>113</u>	<u>132</u>	<u>210</u>	<u>238</u>
Deferred tax:				
- origination and reversal of temporary differences and other deferred tax adjustments	(7)	24	3	38
	<u>106</u>	<u>156</u>	<u>213</u>	<u>276</u>

The effective tax rate excluding share of results of associates and joint ventures for the current quarter ended 31 December 2021 of 23.1% was lower than the applicable tax rate of 25.8%, mainly due to deferred tax adjustments.

The effective tax rate excluding share of results of associates and joint ventures for the half-year ended 31 December 2021 of 26.3% was higher than the applicable tax rate of 25.6%, mainly due to impact of tax expense relating to prior years and withholding taxes.

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**B7. Status of Corporate Proposals**

The corporate proposal announced but not completed as at 10 February 2022 is as follows:

On 27 October 2021, Kumpulan Sime Darby Berhad (“KSDB”), an indirect wholly-owned subsidiary of the Group entered into a Sale and Purchase Agreement (“SPA”) with Sime Darby Property (MVV Central) Sdn. Bhd. (“MVV Central”), a wholly-owned subsidiary of Sime Darby Property Berhad, for the disposal of 760.12 acres of land in Labu, Negeri Sembilan, to MVV Central for a cash consideration of RM280 million.

The agreement is expected to be completed within 15 months from the date of SPA, subject to further extension as may be mutually agreed.

**B8. Group Borrowings**

The breakdown of the borrowings as at 31 December 2021 is as follows:

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
<u>Long-term</u>			
Term loans	<b>19</b>	<b>480</b>	<b>499</b>
	<b>19</b>	<b>480</b>	<b>499</b>
<u>Short-term</u>			
Term loans due within one year	<b>9</b>	<b>199</b>	<b>208</b>
Bank overdrafts	<b>–</b>	<b>119</b>	<b>119</b>
Revolving credits, bankers acceptances, trade facilities and other short-term borrowings	<b>–</b>	<b>1,390</b>	<b>1,390</b>
	<b>9</b>	<b>1,708</b>	<b>1,717</b>
Total borrowings	<b>28</b>	<b>2,188</b>	<b>2,216</b>

The Group borrowings in RM equivalent analysed by currency are as follows:

	<b>Long-term borrowings</b>	<b>Short-term borrowings</b>	<b>Total</b>
Ringgit Malaysia	<b>–</b>	<b>56</b>	<b>56</b>
Australian dollar	<b>223</b>	<b>765</b>	<b>988</b>
Chinese renminbi	<b>–</b>	<b>374</b>	<b>374</b>
Hong Kong dollar	<b>–</b>	<b>51</b>	<b>51</b>
New Zealand dollar	<b>257</b>	<b>365</b>	<b>622</b>
Pacific franc	<b>19</b>	<b>25</b>	<b>44</b>
Thailand baht	<b>–</b>	<b>81</b>	<b>81</b>
Total borrowings	<b>499</b>	<b>1,717</b>	<b>2,216</b>

Secured borrowings are secured by fixed and floating charges over property, plant and equipment and inventories in New Caledonian subsidiaries.

**B9. Financial Instruments**

a) Derivatives

The Group uses forward foreign exchange contracts to primarily manage its exposure to foreign exchange risk. The fair values of these contracts as at 31 December 2021 are as follows:

	<b>Classification in Statement of Financial Position</b>		<b>Net fair value</b>
	<b>Assets Current</b>	<b>Liabilities Current</b>	
Forward foreign exchange contracts	<u>4</u>	<u>(12)</u>	<u>(8)</u>

There is no change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the financial year ended 30 June 2021 other than an embedded forward contract in an agreement containing a commitment by the Group to invest in a company. The carrying value of this embedded derivative is immaterial to the financial results of the Group.

The description, notional amount and maturity profile of the derivatives are shown below:

Forward foreign exchange contracts

The forward foreign currency contracts are stated at fair value, using the prevailing market rates. Changes in fair value of the forward foreign currency contracts are recognised in other comprehensive income unless hedge accounting is not applied, in which case, the changes to the fair value of the derivatives are taken to profit or loss.

As at 31 December 2021, the notional amount, fair value and maturity tenor of the forward foreign exchange contracts are as follows:

	<b>Notional amount</b>	<b>Net fair value liabilities</b>
- less than 1 year	<u>2,979</u>	<u>(8)</u>

b) Fair Value Changes of Financial Liabilities

Other than derivatives which are classified as liabilities only when they are at fair value loss position as at the end of the reporting period, the Group does not remeasure its financial liabilities at fair value after the initial recognition.

**B10. Material Litigation**

Changes in material litigation since the date of the last audited annual statement of financial position up to 10 February 2022 are as follows:

**a) Qatar Petroleum Project (“QP Project”), Maersk Oil Qatar Project (“MOQ Project”) and the Marine Project Civil Suit (“Oil & Gas Suit”)**

On 23 December 2010, Sime Darby Berhad and four subsidiaries (collectively, “the Plaintiffs”) filed a civil suit against Dato’ Seri Ahmad Zubair @ Ahmad Zubir Hj Murshid, Dato’ Mohamad Shukri Baharom, Abdul Rahim Ismail, Abdul Kadir Alias and Mohd Zaki Othman (collectively, “the Defendants”) for damages arising from the Defendants’ negligence and breaches of duty relating to the QP Project, the MOQ Project and the project relating to the construction of a derrick lay barge for an aggregate amount of RM93 million and USD79 million (approximately RM331 million) together with general and aggravated damages and other relief.

On 13 June 2014, all the Defendants consented to an Interlocutory Judgement being recorded on the Defendants’ liability with damages to be assessed by the Court (the “Consent Judgement”). The Plaintiffs shall be permitted to enforce any final judgement entered after the assessment of damages, upon recovering all claims from the QP and MOQ projects and proceeds from the sale of the derrick lay barge, or after the expiry of 3 years from the date of final judgement, whichever is earlier.

The Plaintiffs have filed a Notice of Application for directions to assess damages.

At the Court session on 13 January 2022, the Plaintiffs submitted an oral application to rectify a clerical error in Prayer (4) of the Statement of Claim. On 8 February 2022, the Court disallowed the oral application on the basis that this formed part of the premise on which the Defendants agreed to enter into the Consent Judgement in 2014.

The Court fixed 10 March and 7 to 11 November 2022 to continue with the hearing for the assessment of damages.

**b) Bakun Hydroelectric Project (“Bakun Project”) and the Indemnity Agreement Civil Suit (“Bakun Suit”)**

On 24 December 2010, Sime Darby Berhad and three subsidiaries (collectively, “the Plaintiffs”) filed a civil suit against Dato’ Seri Ahmad Zubair @ Ahmad Zubir Hj Murshid, Dato’ Mohamad Shukri Baharom (“DMS”) and Abdul Rahim Ismail (collectively, “the Defendants”) for damages in connection with the Defendants’ negligence and breaches of duty relating to the Package CW2-Main Civil Works for the Bakun Project and in respect of the Receipt, Discharge and Indemnity Agreement dated 12 January 2010 given to DMS for an aggregate amount of RM91 million together with general and aggravated damages to be assessed and other relief.

On 13 June 2014, all the Defendants consented to an Interlocutory Judgement being recorded on the Defendants’ liability and for damages to be assessed by the Court. The Plaintiffs shall be permitted to enforce any final judgement entered after the assessment of damages, upon the Malaysia-China Hydro Joint Venture receiving full settlement from Sarawak Hidro Sdn Bhd or the Ministry of Finance in relation to the Bakun Project, or after the expiry of 3 years from the date of final judgement, whichever is earlier.

The Plaintiffs have filed a Notice of Application for directions to assess damages. The Registrar directed that the Plaintiffs’ application for assessment of damages for the Oil & Gas Suit and the Bakun Suit be heard separately and that the assessment of damages for the Oil & Gas Suit will be heard first before the Bakun Suit.

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**B10. Material Litigation (continued)**

Changes in material litigation since the date of the last audited annual statement of financial position up to 10 February 2022 are as follows: (continued)

**c) B-193 Process Platform Project (“PP Project”)**

Sime Darby Engineering Sdn Bhd (“SDE”) and Swiber Offshore Construction Pte Ltd (“SOC”) entered into a Consortium Agreement to govern their relationship as a consortium (“the Consortium”) to undertake works relating to the PP Project awarded by Oil and Natural Gas Corporation Ltd (“ONGC”). A contract dated 3 July 2010 was executed for a total contract price of USD618 million (approximately RM2.6 billion).

Disputes have arisen between the Consortium and ONGC and on 1 June 2016, the Consortium initiated arbitration proceedings against ONGC. SDE's portion of the Consortium's claim is circa USD76 million (approximately RM318 million).

On 22 March 2018, the tribunal ordered ONGC to pay the Consortium a net sum of USD5.12 million (approximately RM21 million) as full and final settlement of all claims. On 27 March 2018, ONGC filed an application at the High Court in Mumbai, India to set aside the arbitration award.

On 16 October 2020, SDE and Swiber filed an execution application against ONGC to seek recovery of the arbitration award. The warrant of attachment for movable properties was issued by the Court and the Court's bailiff executed the warrant on 5 April 2021. On 19 April 2021, ONGC deposited a sum of INR 447 million (approximately RM25 million), which includes costs and interest, to the Court and the Consortium's warrant of attachment against ONGC has been stayed until the Court hears ONGC's application to set aside the arbitration award, the date of which has yet to be fixed.

**B11. Dividend**

An interim dividend of 4.0 sen per share in respect of the financial year ending 30 June 2022, which is not taxable in the hands of the shareholders pursuant to paragraph 12B of Schedule 6 of the Income Tax Act 1967, has been declared and will be paid on 11 May 2022. The entitlement date for the dividend payment is 26 April 2022.

A depositor shall qualify for entitlement to the dividend only in respect of:

- (i) shares transferred into the depositor's securities account before 4.30 p.m. on 26 April 2022 in respect of transfers; and
- (ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

The interim dividend and special dividend declared for the previous corresponding period were 2.0 sen per share and 4.0 sen per share respectively.



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**B12. Earnings Per Share**

	<b>Quarter ended</b>		<b>Half-year ended</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Basic earnings per share attributable to owners of the Company are computed as follows:				
Profit attributable to owners of the Company	<u><b>345</b></u>	<u>633</u>	<u><b>581</b></u>	<u>914</u>
Weighted average number of ordinary shares in issue (million)	<u><b>6,804</b></u>	<u>6,802</u>	<u><b>6,803</b></u>	<u>6,802</u>
Basic earnings per share (sen)	<u><b>5.1</b></u>	<u>9.3</u>	<u><b>8.5</b></u>	<u>13.4</u>

Petaling Jaya  
16 February 2022

By Order of the Board  
Noor Zita Hassan  
Group Secretary