6

STRENGTHENING GOVERNANCE AND INTEGRITY

> Do not go where the path may lead, go instead where there is no path and leave a trail.
>
> — Ralph Waldo Emerson
> Essayist and Philosopher

PROFILE OF DIRECTORS

TAN SRI WAN ZULKIFLEE BIN WAN ARIFFIN

Chairman/Independent Non-Executive Director

Malaysian	65	Male

Dates of Appointment
- 1 September 2020 (Chairman)
- 1 August 2020 (Director)

Date of Last Re-election
29 May 2023

Board Committee Membership(s):
- Chairman, Board Nomination and Remuneration Committee

Board Meeting Attendance in 2025: 9/9

Academic/Professional Qualification
- Bachelor of Engineering (Chemical), University of Adelaide, South Australia
- Senior Management Program, INSEAD
- Advanced Management Programme, Harvard Business School
- Honorary Fellow, Institution of Chemical Engineers, United Kingdom
- Fellow, Institute of Corporate Directors Malaysia

Present Directorships
Listed Entities:
- Chairman, Gas Malaysia Berhad
- Chairman, Nestlé (Malaysia) Berhad
- Chairman, Malakoff Corporation Berhad

Other Public Companies:
- Nil

Present Appointments
- Board of Advisors, Yayasan Prihatin Nasional
- Chairman, EON Petromin Sdn. Bhd.
- Board of Advisors, National Energy Services Reunited Corp., Houston

Past Experiences
- Adjunct Professor, Kulliyyah of Economics and Management Sciences, International Islamic University Malaysia ("IIUM")
- Board of Trustees, Razak School of Government
- Chairman, Malaysia Aviation Group Berhad
- Chairman, Malaysia Airlines Berhad
- Board of Governors, IIUM
- Chairman, University Risk Management Committee, IIUM
- Director, Exxon Mobil Corporation
- Various executive positions in Petroliam Nasional Berhad ("PETRONAS") since 1983 and retired from the position of President and Group Chief Executive Officer in June 2020
- Chairman, Malaysia's National Trust Fund
- Council Member, East Coast Economic Region Development Council
- Council Member, Northern Corridor Implementation Authority
- Council Member, ASEAN Council on Petroleum ("ASCOPE")
- Member, World Economic Forum's ("WEF") Stewardship Board of System Initiative on Shaping the Future of Energy
- Member, WEF's Oil and Gas Governors Forum and the WEF Oil and Gas Action Group
- Pro Chancellor, Universiti Teknologi PETRONAS
- Advisory Council, Institut Tadbiran Awam Negara ("INTAN")
- Industry Advisor, Universiti Putra Malaysia

Malaysian | 60 | Male

TAN SRI SYED FAISAL ALBAR BIN SYED A.R ALBAR

Group Managing Director

Dates of Appointment
- 1 March 2016 (Group Managing Director)
- 4 January 2016 (Group Chief Executive Officer)

Date of Last Re-election
28 May 2024

Board Meeting Attendance in 2025: 9/9

Academic/Professional Qualification
- Member of the Malaysian Institute of Accountants ("MIA")
- Member of the Malaysian Institute of Certified Public Accountants ("MICPA")
- American Institute of Certified Public Accountants ("AICPA") Professional Certification from University of Illinois, Urbana Champaign, United States of America ("USA")
- Bachelor of Arts (Accountancy), Barat College of DePaul University, Lake Forest, USA

Present Directorships

Listed Entity:
- Chairman, Pos Malaysia Berhad

Other Public Companies:
- Chairman, PROTON Holdings Berhad
- Edaran Otomobil Nasional Berhad
- HICOM Holdings Berhad
- HICOM Berhad

Past Experiences
- Chief Executive Officer ("CEO"), Malakoff Corporation Berhad
- CEO, Gas Malaysia Berhad
- Executive Director, Pos Logistics Berhad
- Director, Malaysia Airports Holdings Berhad
- Director, Hong Leong Bank Berhad
- Director, Kwasa Land Sdn. Bhd.
- Director, Yayasan Kelana Ehsan
- Group Managing Director, Pos Malaysia Berhad
- Chairman, ASEAN Postal Business Union
- CEO, The New Straits Times Press (Malaysia) Berhad ("NSTP")
- Chief Financial Officer, NSTP
- Various positions in PricewaterhouseCoopers (formerly known as Price Waterhouse), Kuala Lumpur and San Francisco, California, USA

Malaysian | 71 | Male

DATO' IBRAHIM BIN TAIB

Senior Independent Non-Executive Director

Dates of Appointment
- 1 March 2022
  (Senior Independent Non-Executive Director)
- 30 May 2017
  (Independent Non-Executive Director)
- 18 March 2004
  (Non-Independent Non-Executive Director)

Date of Last Re-election
28 May 2025

Board Committee Membership(s):
- Chairman, Board Risk and Sustainability Committee
- Member, Board Audit Committee

Board Meeting Attendance in 2025: 9/9

Academic/Professional Qualification
- Bachelor of Laws LLB. (Honours), University of Malaya
- Master of Laws, University of London

Present Directorships
Listed Entity:
- Nil

Other Public Companies:
- Bank Muamalat Malaysia Berhad

Present Appointments
- Partner legal firm, Ibrahim Taib & Associates

Past Experiences
- Various positions in the Employees Provident Fund ("EPF") since July 1992 and retired as the Deputy Chief Executive Officer (Operations) in October 2014
- Judge, Sessions Court, Kota Bharu
- Deputy Public Prosecutor for Selangor, Attorney-General Chambers
- Legal Advisor, Ministry of Human Resources
- Legal Advisor, Road Transport Department
- Magistrate in the Magistrate Court, Segamat, Johor
- Magistrate in the Magistrate Court, Jalan Duta, Kuala Lumpur

Malaysian	64	Female

UJI SHERINA BINTI ABDULLAH

Independent Non-Executive Director

Date of Appointment
- 1 March 2023

Date of Last Re-election
28 May 2025

Board Committee Membership(s):
- Member, Board Nomination and Remuneration Committee
- Member, Board Audit Committee

Board Meeting Attendance in 2025: 9/9

Academic/Professional Qualification
- Associate in Occupational Studies Degree, with a major in Business Administration/Management, Central City Business Institute, Syracuse, New York

Present Directorships
Listed Entity:
- Nil

Other Public Companies:
- Nil

Past Experiences
- Independent Non-Executive Director, Bursa Malaysia Berhad
- Group Chief Human Resource Officer, AMMB Holdings Berhad
- Country Chief Human Resources Director, HSBC Bank Malaysia Berhad
- Country Chief Human Resource Director, Citibank Berhad
- General Manager, Human Resources and Corporate Communications, Mesiniaga Berhad
- Head, Human Resources, Mesiniaga Berhad
- Training and Development Manager, Mesiniaga Sdn. Bhd.
- Sales and Marketing Manager – Mid-range System, Mesiniaga Sdn. Bhd.
- Various IT and Technology roles in Mesiniaga Sdn. Bhd.

Malaysian	66	Female

TANG SAW HUA

Independent Non-Executive Director

Date of Appointment
- 18 February 2025

Date of Last Re-election
28 May 2025

Board Committee Membership(s):
- Chairman, Board Audit Committee
- Member, Board Risk and Sustainability Committee

Board Meeting Attendance in 2025: 9/9

Academic/Professional Qualification
- Member of the Malaysian Institute of Certified Public Accountants ("MICPA")
- Member of the Malaysian Institute of Accountants ("MIA")

Present Directorships
Listed Entities:
- Petronas Dagangan Berhad

Other Public Companies:
- Prasarana Malaysia Berhad

Past Experiences
- Senior Independent Non-Executive Director of Cycle & Carriage Bintang Berhad ("CCB")
- Chairperson of Audit Committee, CCB
- Member of Remuneration Committee, CCB
- Member of Nomination Committee, CCB
- Group CFO of Destination Resorts and Hotel Sdn. Bhd., a wholly owned subsidiary of Khazanah Berhad
- Senior General Manager of Integrated Petroleum Services Sdn. Bhd.
- General Manager of Finance, Proton Edar Sdn. Bhd.
- Group Financial Controller of the Oil and Gas Division in UMW Holdings Berhad
- Head of Finance, Edaran Otomobil Nasional Berhad
- Held various other Accountant positions in manufacturing, hotel and property development organisations

Malaysian | 64 | Male

DATO' ADNAN HISHAM BIN PAWANTEH

Independent
Non-Executive Director

Date of Appointment
- 1 December 2025

Board Committee Membership(s):
- Member, Board Nomination and Remuneration Committee
- Member, Board Risk and Sustainability Committee

Board Meeting Attendance in 2025: 1/1

Academic/Professional Qualification
- Master of Business Administration in Management, Ohio University
- Bachelor of Science in Electronics and Electrical Engineering, Loughborough University of Technology, United Kingdom

Present Directorships
Listed Entities:
- Duopharma Biotech Berhad

Other Public Companies:
- Nil

Present Appointments
- Member, IMU University Industry Advisory Board

Past Experiences
- Chairman, Federation of Malaysian Manufacturers (FMM), Food Manufacturers Group (MAFMAG)
- Executive Director, Group Corporate Affairs, Nestlé Malaysia/Singapore
- Technical & Production Director, Nestlé Philippines
- President, ASEAN Food and Beverage Alliance
- Technical & Production Director, Nestlé Malaysia/Singapore
- Technical & Production Director, Nestlé Turkey
- Factory Manager, Nestlé Malaysia
- Industrial Performance & Production Manager, Nestlé Australia
- Various positions in Engineering, Nestlé Malaysia/Singapore

Additional Information
- *None of the Directors have any family relationship with any Director and/or major shareholder of DRB-HICOM Berhad*
- *None of the Directors have conflict of interest or potential conflict of interest, including any interest in any competing business with DRB-HICOM Berhad or its subsidiaries*
- *Other than traffic offences, none of the Directors have been convicted for any offences within the past five years nor have been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2025*

PROFILE OF KEY SENIOR MANAGEMENT

Key Senior Management execute the strategy and long-term goals of the Group, driving business performance and organisational synergies while protecting and enhancing the brand and reputation.

Malaysian	62	Male

DATO' JEZILEE BIN MOHAMAD RAMLI

Group Chief Operating Officer, Corporate Services

Date of Appointment
- 25 June 2018

Academic/Professional Qualification
- Bachelor of Science in Business (Majoring in Accounting), Emporia State University, Kansas, USA
- Member of the American Institute of Certified Public Accountants ("AICPA")

Present Directorships

Listed Entity:
- Pos Malaysia Berhad

Other Public Companies:
- Edaran Otomobil Nasional Berhad ("EON")

Past Experiences
- Chief Financial Officer, UEM Edgenta Berhad
- Group Chief Corporate Services, Pos Malaysia Berhad
- Chief Financial Officer, The New Straits Times Press (Malaysia) Berhad

Malaysian	58	Female

AMINAH BINTI OTHMAN

Group Chief Financial Officer

Date of Appointment
- 15 August 2022

Academic/Professional Qualification
- Fellow, The Association of Chartered Certified Accountants ("FCCA"), UK
- Member, Malaysian Institute of Accountants ("MIA")

Present Directorships
- Honda Malaysia Sdn. Bhd.
- Media City Development Sdn. Bhd.
- HICOM-YAMAHA Manufacturing Malaysia Sdn. Bhd.
- HICOM University College Sdn. Bhd.
- Several private limited companies within the DRB-HICOM Group

Past Experiences
- Group Director, Finance, DRB-HICOM Berhad
- Group Director, Treasury, DRB-HICOM Berhad
- Head of Treasury, DRB-HICOM Berhad

Malaysian	53	Male

AZRI BIN ZAHARUDDIN

Group Chief Operating Officer, Corporate Planning & Strategy and Properties

Date of Appointment
- 15 August 2022

Academic/Professional Qualification
- Bachelor of Law (Honours), London School of Economics, UK
- Master in Business Administration, Massachusetts Institute of Technology, USA
- CFA Charterholder

Present Directorships
- HICOM Holdings Berhad
- Glenmarie Properties Sdn. Bhd.
- Media City Development Sdn. Bhd.
- Northern Gateway Infrastructure Sdn. Bhd.
- Motosikal Dan Enjin Nasional Sdn. Bhd.
- Other Private Limited Companies within the DRB-HICOM Group

Past Experiences
- Director, Investments, Khazanah Nasional Berhad
- Director, Business Development, Acibadem Healthcare Group, Turkey
- Head, Corporate Planning and Strategy, PT CIMB Niaga Tbk, Indonesia

Profile of Key Senior Management

Malaysian | 58 | Female

SABARINA LAILA BINTI MOHD HASHIM

Chief Legal Officer & Company Secretary

Date of Appointment
- 4 December 2017

Academic/Professional Qualification
- Bachelor of Laws (Honours), University of Malaya
- Master of Science in Corporate Governance, London South Bank University, UK

Present Directorships

Listed Entity:
- Pos Malaysia Berhad

Other Public Companies:
- Nil

Past Experiences
- General Manager and Group Company Secretary, Secretarial and Legal Services Division, Malaysia Airports Holdings Berhad
- Director, several private limited companies
- Lawyer, several legal firms

Malaysian | 58 | Male

SHAMSOL ANUAR BIN IBRAHIM

Chief Human Capital Officer

Date of Appointment
- 1 July 2022

Academic/Professional Qualification
- Bachelor in Business Studies (Marketing), Universiti Teknologi MARA
- Diploma in Business Studies (Marketing), Universiti Teknologi MARA

Present Directorships

Listed Entity:
- Nil

Other Public Companies:
- Nil

Past Experiences
- Chief People and Culture Officer, Store & Send Logistics
- Principal Consultant (freelance), Organisational & People Performance
- Vice President & Chief Human Resource Officer, Emery Oleochemicals Group

Declaration
- *None of the Key Senior Management have any conflicts of interest or any family relationship with any Director and/or major shareholders of the Company*
- *None of the Key Senior Management have been convicted for any offences within the past five years nor have been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2025*

Profile of Key Senior Management
of Principal Subsidiaries

Declaration
- *None of the Key Senior Management have any conflicts of interest or any family relationship with any Director and/or major shareholders of the Company*
- *None of the Key Senior Management have been convicted for any offences within the past five years nor been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2025*

Malaysian | 53 | Male

DATUK KHAIRUL BIN KAMARUDIN

President and Chief Executive Officer
Bank Muamalat Malaysia Berhad

Date of Appointment
- 1 November 2019

Academic/Professional Qualification
- LLB (Hons), Anglia Ruskin University, UK

Past Experiences
- Chief Executive Officer, Bank Islam Malaysia Berhad
- Chief Executive Officer, BIMB Holdings Berhad
- Chairman, BIMB Investment Berhad
- Board Member of Majlis Agama Islam Wilayah Persekutuan ("MAIWP")
- Board Member of Islamic Banking and Finance Institute Malaysia ("IBFIM")
- Board Member of General Council for Islamic Banks and Financial Institutions ("CIBAFI")
- Pengurusan Danaharta Nasional Berhad
- Assurance and Business Advisory Services, PricewaterhouseCoopers

Chinese | 62 | Male

DR. LI CHUNRONG

Chief Executive Officer
Perusahaan Otomobil Nasional Sdn. Bhd.

Date of Appointment
- 1 October 2017

Academic/Professional Qualification
- Bachelor of Electrical Automation, Huazhong University of Science and Technology, China
- Master in Business Administration, Massachusetts Institute of Technology, USA
- Ph.D. in Management Engineering, Huazhong University of Science and Technology, China

Past Experiences
- Deputy Director, Dongfeng Motor Corporation
- Executive Vice President, Dongfeng Yueda Kia Motors Co., Ltd.
- Chief Executive Officer, Dongfeng Passenger Vehicle Company

Profile of Key Senior Management
of Principal Subsidiaries

Declaration

- *None of the Key Senior Management have any conflicts of interest or any family relationship with any Director and/or major shareholders of the Company*
- *None of the Key Senior Management have been convicted for any offences within the past five years nor have been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2025*

Malaysian	60	Male

DATO' IR. ABDUL RASHID BIN MUSA

Deputy Chief Executive Officer
Perusahaan Otomobil Nasional Sdn. Bhd.

Date of Appointment
- 1 November 2025

Academic/Professional Qualification
- Bachelor of Engineering (Mechanical), University of Malaya
- Professional Engineer (Mechanical)

Past Experiences
- Head of Strategy, Sime UMW Division
- Group Chief Mobility & Innovation Officer, UMW Holdings Berhad
- President, Manufacturing & Engineering Division, UMW Holdings Berhad
- Chief Executive Officer, Proton Edar Sdn. Bhd.
- Vice President, Sales & Marketing, Perusahaan Otomobil Nasional Sdn. Bhd. (PROTON)
- Chief Technical Officer, PROTON Holdings Berhad
- Chief Executive Officer, HICOM Engineering Sdn. Bhd.
- Chief Executive Officer, HICOM Automotive Manufacturers (Malaysia) Sdn. Bhd.
- Various technical and leadership roles with PROTON, DRB-HICOM, Mitsubishi Motors (Japan), and Group Lotus (UK)

British	61	Male

CHARLES ROBERTSON BREWER

Group Chief Executive Officer
Pos Malaysia Berhad

Date of Appointment
- 1 August 2021

Academic/Professional Qualification
- Advanced Logistics Diploma, Cranfield University School of Management, UK
- Advance Senior Executive Management Programme, Henley Business School, UK
- Diploma in Management, The University of Reading, UK

Past Experiences
- Chief Operating Officer, Canada Post
- Chief Executive Officer & Founder, Click & Connect, Singapore
- Chief Executive Officer, DHL eCommerce Americas, Asia Pacific, Middle East and Africa
- Chief Executive Officer, DHL Express, Sub-Saharan Africa
- Chief Executive Officer, DHL Express, Northeast USA
- Chief Commercial Officer, DHL Express, USA
- Chief Executive Officer, DHL Express, Malaysia
- Chief Executive Officer, DHL Express, Philippines

MANAGEMENT TEAM

The Management Team at DRB-HICOM plays a crucial role in driving operational efficiency, ensuring strategic alignment, and fostering a high-performing culture to achieve business objectives.

TAN SRI SYED FAISAL ALBAR

Group Managing Director

DATO' JEZILEE MOHAMAD RAMLI

Group Chief Operating Officer, Corporate Services

SABARINA LAILA MOHD HASHIM

Chief Legal Officer & Company Secretary

SHAMSOL ANUAR IBRAHIM

Chief Human Capital Officer

TENGKU ZAINUDIN TENGKU JAAFAR

Chief Regulatory & Stakeholder Management Officer

CAIRIL IRWAN AMIR

Chief Communication Officer

AMINAH OTHMAN

Group Chief Financial Officer

AZRI ZAHARUDDIN

*Group Chief Operating Officer,
Corporate Planning & Strategy and Properties*

AKKBAR DANIAL

*Head, Automotive Distribution
Chief Executive Officer, EON Berhad*

HAZRIN FAZAIL HAROON

*Chief Executive Officer,
HICOM Engineering Sdn. Bhd.*

HAFNI MOHD SAID

Chief Internal Audit & Integrity Officer

TEH EE LAINE

Chief Culture Officer

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Corporate governance remains a cornerstone of DRB-HICOM Berhad ("DRB-HICOM" or "the Company") and its subsidiaries (collectively "the Group") in delivering sustainable, long-term value to all stakeholders.

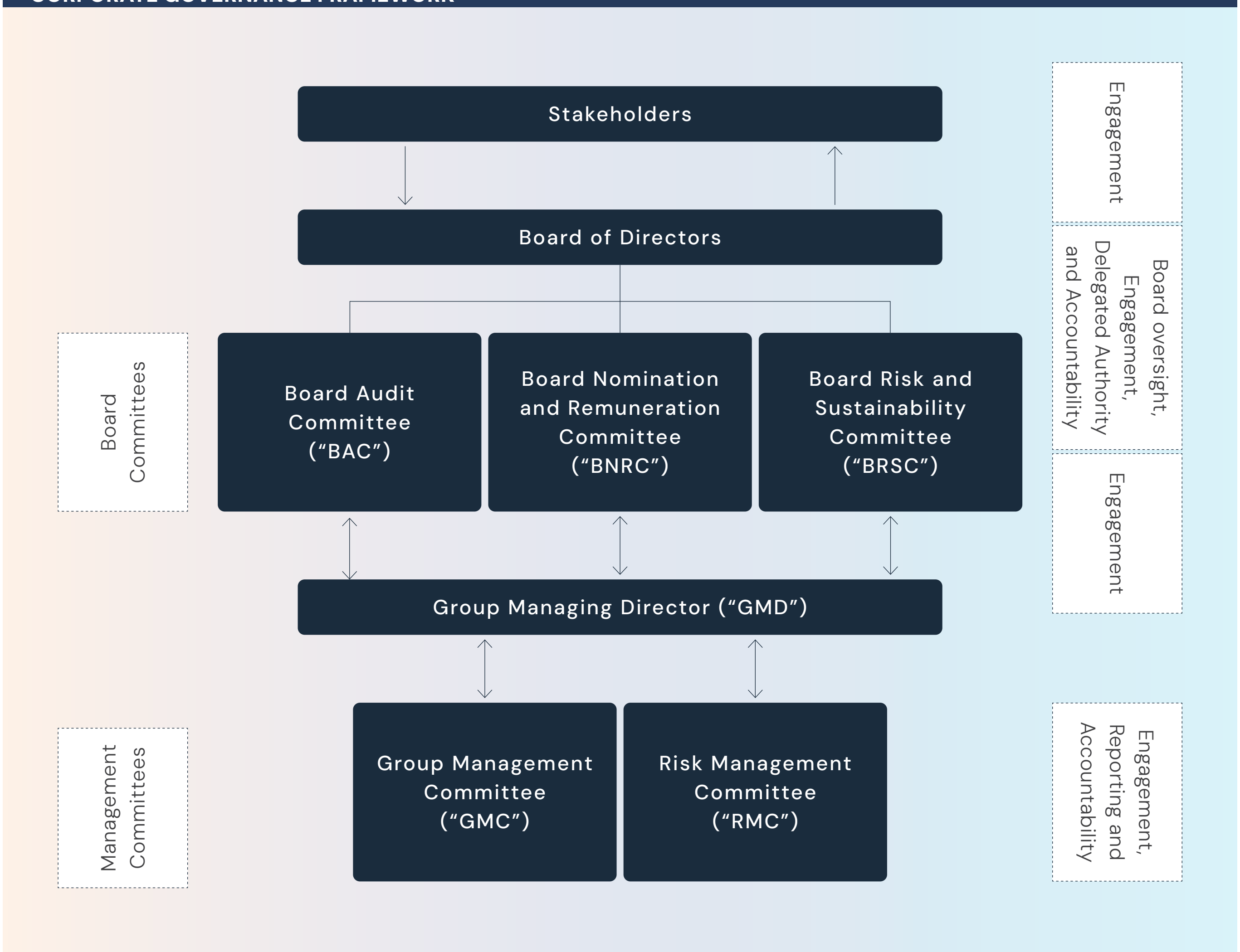
As the business environment continues to evolve, shaped by global dynamics, emerging technologies and shifting stakeholder expectations, the Board of Directors ("Board") of DRB-HICOM reaffirms its unwavering commitment to fiduciary responsibilities, integrity, accountability, and transparency. The Board remains steadfast in protecting the interests of stakeholders through the adoption of robust governance policies and practices.

CORPORATE GOVERNANCE FRAMEWORK

By setting the tone from the top and leading by example, the Board fosters a culture that strengthens the Group's commitment to strong corporate governance across all levels of the organisation. The Board regularly reviews its governance procedures and processes to ensure relevance and effectiveness. The Corporate Governance Framework ("CG Framework") illustrated below facilitates and supports effective oversight and consistent enforcement of sound corporate governance practices throughout the Group.

Underpinning the CG Framework is a comprehensive set of policies, guidelines and an integrated system of internal controls that collectively ensure constant vigilance, proactive risk management and swift remediation against potential threats. This foundation also drives a sustained focus on continuous improvement, reinforcing the Group's commitment to governance and operational excellence.

CORPORATE GOVERNANCE FRAMEWORK



DRB-HICOM's CG Framework is designed to achieve the Group's business objectives responsibly, while ensuring the establishment and operation of a clear governance structure that is appropriate to the nature, size, and complexity of each entity within the Group.

An important role of corporate governance is to ensure sustainable long-term performance, maximise returns for stakeholders, and create enduring economic value and growth. To achieve this, the Group has implemented best practices across all its businesses in dealings with customers, vendors, stakeholders, depositors, and participants. These measures are designed to safeguard long-term sustainability, ensuring that the Group remains resilient, capable of delivering durable and sustainable value, while maintaining the confidence and trust of its stakeholders.

In this regard, the Board ensures that the CG Framework is fully aligned with and incorporates all relevant rules and regulations, principles and best practices applicable to DRB-HICOM which currently comprises the following:

- MMLR by Bursa Securities
- Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries by SC
- MSWG's Malaysia ASEAN CG Scorecard
- SORMIC Guide 2025
- CG Guide by Bursa Malaysia Berhad
- MCCG
- ISSB and IFRS S1 and S2

Bursa Securities	*: Bursa Malaysia Securities Berhad*
CG	*: Corporate Governance*
MMLR	*: Main Market Listing Requirements*
MCCG	*: Malaysian Code on Corporate Governance 2021*
MSWG	*: Minority Shareholders Watch Group*
SC	*: Securities Commission*
SORMIC	*: Statement on Risk Management and Internal Control*
ISSB	*: International Sustainability Standards Board*
IFRS S1 and S2	*: International Financial Reporting Standards Scope 1 and Scope 2*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Corporate Governance Overview Statement ("Statement") is issued to provide an overview of the Group's corporate governance practices. However, the Board's responsibilities for corporate governance oversight also extend across the Group. Accordingly, where appropriate, references to "the Group" are made to emphasise Group-wide application and involvement. In this Statement, the Board reports on how DRB-HICOM has adopted and applied the statutory requirements, principles, and best practices based on the three key corporate governance principles set out in the MCCG and CG Guide:

Principle A

Board Leadership and Effectiveness

27 **Practices** **3** **Step-Up Practices**

Principle B

Effective Audit and Risk Management

8 **Practices** **2** **Step-Up Practices**

Principle C

Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

8 **Practices**

Overall, DRB-HICOM has applied 38 Practices out of the 43 recommended Practices and adopted three Step-Up Practices out of the five Step-Up Practices, as recommended under the MCCG. A more thorough description of how the Company is addressing these departures from the MCCG's recommended Practices are detailed in the Corporate Governance Report ("CG Report").

This Statement is to be read together with the CG Report, which is available on the corporate website at www.drb-hicom.com.

On 20 January 2026, DRB-HICOM received the Overall Excellence Award (ranked number 24 out of an evaluated population of 847 Malaysian public listed companies) at the National Corporate Governance & Sustainability Award 2025, exemplifying its adoption of good corporate governance and sustainability practices.

A B C **BOARD LEADERSHIP AND EFFECTIVENESS**

ROLES OF THE BOARD

The Company is governed by the Board, which is entrusted with the stewardship of the Group's business and affairs on behalf of the shareholders and other stakeholders. The Board's primary responsibility is to determine DRB-HICOM's strategic objectives and policies to deliver sustainable value to its shareholders while considering the interests of employees, business partners, local communities, regulators and the general public. To support this, the Group fosters a strong and cohesive organisational culture through leadership initiatives, employee engagement programmes, and continuous feedback mechanisms. These efforts are regularly monitored to ensure that the Group's values remain aligned with evolving objectives. This integrated approach enables the Group to achieve strategic success while cultivating a positive, high-performance culture.

The Board is accountable to the shareholders for the Group's performance. It directs and monitors the business and affairs of the Group, ensuring that all business activities comply with applicable laws, policies, standards, and guidelines. To maintain alignment with the Group's long-term vision, structured processes are in place, including regular strategic reviews by the Board and Senior Management. These reviews involve data-driven insights, and stakeholder input to guide key decisions.

In fulfilling its mandate, the Board assumes key roles and responsibilities aimed at promoting and protecting the interests of shareholders and other stakeholders, always acting in the best interests of the Group:

Key Roles and Responsibilities

- Establish and review the strategic direction of the Group, and ensure that strategic plans support long-term value creation and address economic, environmental, social and governance considerations underpinning sustainability
- Together with the Senior Management, inculcate good corporate governance culture to promote integrity and reinforce ethical, prudent, responsible and professional behaviour
- Review, challenge and decide on the Management's proposals and monitor their implementation
- Oversee and evaluate the conduct of the Group's businesses
- Ensure a sound system of internal controls and risk management, and review the adequacy of the internal control policy
- Identify and understand the businesses' principal risks, recognise that business decisions involve taking appropriate risks, and ensure that the risks are properly managed
- Establish orderly succession plans for the Board and Senior Management
- Ensure the existence of procedures to enable effective communication with stakeholders
- Ensure the integrity of the Group's financial and non-financial reporting

During the financial year ended 31 December 2025, the Board has considered various key matters, which include amongst others, the following:

Strategic matters

- Investment and divestment activities
- Global economic outlook, market trends and the Group's overall business strategy in line with the preparation of the Annual Management Plan
- Significant business decisions that include repositioning businesses for continuity
- Proposed acquisition of a new company
- Declaration of final dividend
- The Automotive High-Tech Valley ("AHTV") Project

Governance and Risk Management

- Annual Board Effectiveness Assessment
- Fit and Proper Assessment
- Yearly Conflict of Interest review involving Directors and Senior Management
- Proposed appointment of Independent Non-Executive Directors of the Company
- Annual review on Board composition
- Proposed change of Board Committee composition
- Succession planning and talent management
- Year-end reports, namely the CG Overview Statement, Audit Committee Report, Sustainability Report and SORMIC, Circular to Shareholders on Renewal of existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPTs") of a revenue or trading nature and new Shareholders' Mandate for additional RRPTs of a revenue or trading nature
- Directors standing for re-election at an Annual General Meeting ("AGM")
- Proposed revisions to be made to contents of the existing Whistleblowing Policy
- Proposed amendments to the External Auditor Policy and Procedure
- Quarterly updates from the BRSC, including the Group Enterprise Risk Dashboard, Sustainability Updates and Business Continuity Management activities
- Quarterly updates from the Group Internal Audit & Integrity Division ("GIAID"), including reports on audit issues, updates on whistleblowing, audit activities, etc
- Updates on Environmental, Social and Governance ("ESG") matters, including IFRS S1 and S2 requirements

Financial

- Quarterly/interim results announcements
- Audited Financial Statements
- Annual Management Plan and Corporate Key Performance Indicators
- Related Party Transactions/RRPTs
- Funding arrangements
- Cashflow and other matters affecting the Group's operations and businesses

The Group has identified six Success Beliefs as the beacon to guide the development of its businesses for a better tomorrow. The significance of corporate governance is duly recognised through the inclusion of "Build Trust" as a Success Belief. The Board's embrace of this Success Belief is explicitly reflected through their integrity and ethical conduct in all dealings. By "walking the talk" i.e. taking ownership, the Board sets the tone for a culture throughout the Group of building trust and value creation with stakeholders, employees, customers and business partners.

The Board upholds its fiduciary duties with due diligence, care and skill, taking into consideration ESG factors, to drive responsible and sustainable business practices and enhancing long-term value for all stakeholders.

For more information on the Group's sustainability- and climate-related targets, initiatives, and metrics, please refer to Section 4 - ISSB Sustainability Statement and Section 5 - Sustainability in Action on pages 100-223.

Board Charter

In discharging its duties and responsibilities effectively, the Board is guided by its Board Charter, a document which sets out the principles and guidelines that are to be applied by the Board. It also encompasses functions reserved for the Board Committees and those delegated to the Management along with the associated authority limits, as well as the Directors' Code of Ethics.

The Board Charter was last revised on 8 November 2024, to ensure that it remains consistent with the Board's objectives, the Constitution of the Company, various policies, procedures and practices, as well as statutory and regulatory requirements.

The Board Charter and the Directors' Code of Ethics are available on the corporate website at www.drb-hicom.com.

Separate Roles of Chairman, Group Managing Director and Senior Independent Director

The Board practices a clear demarcation of duties and responsibilities between the Chairman and Group Managing Director ("GMD"), to ensure that there is a balance of authority and power in the Company. The positions of the Chairman and GMD are held by two different individuals, whilst the Senior Independent Director ("SID") acts as a point of contact between the Non-Executive Directors ("NEDs") and the Chairman, as well as the designated contact to whom shareholders' concerns may be raised.

To heighten the fact that the roles of the Chairman and GMD are distinct and separate, the Management Delegated Authority ("MDA") was established to provide separate limits of authority to be delegated by the Board to the GMD, who may further delegate such authority to the Senior Management of the Company. In essence, the MDA sets out to govern matters which require the GMD's approval at the operational level, so that day-to-day transactions and activities can be executed smoothly.

A short summary of their roles and division of responsibilities is set out below:

Chairman Tan Sri Wan Zulkiflee Wan Ariffin, an Independent NED, is primarily responsible for the orderly conduct and function of the Board	• Provides leadership to the Board so that the Board can perform its responsibilities effectively • In consultation with the GMD and the Company Secretary, sets the agenda for Board meetings and ensures that all relevant issues are on the agenda • Leads the Board in setting the values and standards of the Company • Facilitates effective contributions of NEDs and ensures that constructive relations, as well as a relationship of trust, be maintained between the GMD and NEDs • Leads the Board meetings and discussions as well as encourages active participation and allows dissenting views to be freely expressed • Manages the interface between the Board and the Management • Ensures that appropriate steps are taken to provide effective communication with shareholders and relevant stakeholders and that their views are communicated to the Board as a whole • Leads the Board in establishing and monitoring good corporate governance practices in the Company. • Arranges regular evaluation of the performance of the Board, its Committees and individual Directors
GMD Tan Sri Syed Faisal Albar Syed A.R Albar is responsible for the overall operations of the businesses, organisational effectiveness and the implementation of the Group's strategies and policies and is assisted by the Senior Management, with whom he consults regularly, in managing the business on a day-to-day basis	• Develops the strategic direction of the Group (including short- and long-term business plans) and ensures that the Group's strategies and corporate policies are effectively implemented • Keeps the Board fully informed of all important aspects of the Group's operations and ensures that sufficient information is distributed to the Board members • Provides strong leadership i.e., effectively communicating the vision, management philosophy and business strategy to the employees • Ensures high performance and productivity of top management staff by creating a conducive environment for motivation, performance and professional development • Develops and maintains good relations with significant external agencies such as regulatory bodies, government agencies, investing public and other trade associations and institutions • Ensures that the day-to-day business affairs of the Group are effectively managed • Ensures compliance with all relevant legislation and regulations, by reviewing policies and monitoring compliances
Senior Independent Director Dato' Ibrahim Taib fulfils the criteria of an Independent Director pursuant to the MMLR of Bursa Securities and was appointed as the SID on 1 March 2022.	• Acts as the main liaison between the INEDs and the Chairman on matters that may be deemed sensitive • Spearheads confidential discussions with other NEDs, who may have concerns which they believe have not been considered by the Board as a whole • Acts as an alternative communication channel for shareholders and other stakeholders to convey their concerns and raise issues, so that these can be channelled to the relevant parties All queries relating to the Group can be directed as follows: Dato' Ibrahim Taib Senior Independent Director DRB-HICOM Berhad Level 5, Wisma DRB-HICOM No. 2, Jalan Usahawan U1/8 Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan

Board Composition and Diversity

The Board comprises a team of highly skilled professionals, each bringing a diverse range of expertise, perspectives, and corporate experience to the boardroom. As at 31 December 2025, the Board comprised six members, five of whom are Independent Non-Executive Directors ("INEDs") and one Executive Director (Group Managing Director).

During the year under review, there were several movements within the Board. This included the appointment of Madam Tang Saw Hua as INED on 18 February 2025, the resignation of the late Datuk Idris Abdullah @ Das Murthy ("Datuk Idris") as INED on 9 June 2025 and the appointment of Dato' Adnan Hisham Pawanteh as INED on 1 December 2025. The Board wishes to record its utmost appreciation and gratitude to the late Datuk Idris for his contribution and service during his tenure as a member of the Board.

The Company currently has two female Directors, which represents 33% of the total Board members. This provides the Board with greater diversity that adds value to the Board's deliberation with the varied perspectives and insights from women Directors.

The current composition of the Board exceeds the requirements of Paragraph 15.02 of the MMLR of Bursa Securities as more than one-third of its members are INEDs. This composition enables an effective and objective check and balance on the Board's deliberations and decision making. Moreover, the composition of the Board with a majority of INEDs, aligns with Practice 5.2 of the MCCG.

For further details on Board Composition and Diversity, refer to the BNRC Report on pages 252-254.

Board Effectiveness

An effective Board is crucial to the Group's long-term prospects and achievement of its strategic objectives. The Directors' relevant capabilities, skill sets, experience and competencies are all important elements to ensure a balanced Board composition that enables the most effective decision-making for the Group.

Board Effectiveness Assessment

The Board Effectiveness Assessment ("BEA") is conducted annually under the purview of the BNRC to evaluate the overall effectiveness of the Board, BAC and other Board Committees, the independence of Independent Directors, and the contributions of each individual Director. This assessment also reviews the Board's ability to discharge its responsibilities, including deliberations on sustainability and ESG areas. Through this rigorous process, the Board is able to identify and address critical areas such as leadership, core competencies, skill sets, attributes, delegation of duties, while ensuring thorough reviews of existing Board processes. The insights gained serve as a strong foundation for the Board's journey towards achieving a high performance and continuous improvement.

For further details on BEA including the assessment criteria and focus areas, refer to the BNRC Report on page 256 and Practice 6.1 of the CG Report.

Board and Board Committee Meetings

At all meetings, the Board practices a strong culture of open debate. Matters deliberated at the Board meetings include amongst others, strategies, business plans and budget, financial and business performance, the Group's businesses and cashflow to ensure that the Group companies are sustainable, investment decisions, corporate risks, including updates on the Group's sustainability and ESG, policies and corporate governance.

The respective Chairmen of the BNRC, BAC and BRSC also update the Board on the proceedings of their respective Committee meetings. Relevant Senior Management attend Board and Board Committee meetings by invitation and report to the Board on matters pertinent to their respective areas of responsibility, to present new proposals or brief on actions implemented pursuant to recommendations made by the Board and Board Committees.

The Minutes of each Board and Board Committee meeting, which have been duly signed as correct records thereat, are prima facie evidence of such proceedings and are properly maintained by the Group Company Secretary.

Pre-scheduled Board and Board Committee meeting dates are circulated to the Board and Management prior to the commencement of the year to assist the Directors in planning their schedule and preparing adequately for the meetings.

Throughout the year, Board and Board Committee meetings were conducted via physical and hybrid modes, accommodating both virtual and in-person participation. The sessions were operated in a paperless manner, with meeting documents uploaded to tablets for the Board and circulated to the Senior Management via email.

Although the minimum quorum for Board meetings is three, most Board meetings have been attended by all Directors. While a decision of the Board and Board Committees only requires a majority of votes of the Directors, all decisions made have been unanimous and on a consensus basis. In case of a tied vote, the Chairman has a second or casting vote. In 2025, the Chairman did not have the need to use his casting vote to pass any resolution.

During the year, the Board held a total of nine Board Meetings. All Directors complied with the minimum attendance requirement of at least 50% of the Board meetings held throughout the year pursuant to the MMLR of Bursa Securities. This is a testament to their dedication to fulfilling their roles and responsibilities and is reflected by their attendance at the Board and Board Committee meetings held during the year under review.

The details of the Board meeting attendance for 2025 are set out below:

Name of Directors	Number of meetings	
	Attendance	%
Tan Sri Wan Zulkiflee Wan Ariffin *Chairman/Independent Non-Executive Director*	9/9	100
Tan Sri Syed Faisal Albar Syed A.R Albar *Group Managing Director*	9/9	100
Dato' Ibrahim Taib *Independent Non-Executive Director*	9/9	100
Datuk Idris Abdullah @ Das Murthy *Independent Non-Executive Director* *(Resigned on 9 June 2025)*	1/3	Not applicable
Uji Sherina Abdullah *Independent Non-Executive Director*	9/9	100
Tang Saw Hua *Independent Non-Executive Director* *(Appointed on 18 February 2025)*	9/9	100
Dato' Adnan Hisham Pawanteh *Independent Non-Executive Director* *(Appointed on 1 December 2025)*	1/1	100

To preserve and uphold the Board's independence in decision making, six NED meetings/private discussions were held in 2025 (without the presence of the GMD and the Management), to discuss among others, the efficacy of the Board and other strategic issues.

Board Strategic Mid-Term Review

The Board Strategic Mid-Term Review with the Senior Management team and external consultants, was conducted physically on 27 and 28 August 2025. The session provided the Board with updates on policy perspectives related to the economy, as well as insights into the impact of current geopolitical events, particularly tariffs on the general market outlook and business adaptability. The Board engaged in intensive discussions on strategic imperatives and measures to enhance synergy, resilience and market positioning, which facilitated the formulation of the Group's business strategies and future plan.

Onboarding and Continuing Development Programme

All newly appointed Directors receive a Board Pack outlining the roles and responsibilities of the Board and its members. A comprehensive onboarding programme is also conducted by the Senior Management, covering key aspects of the Group's businesses, including but not limited to its strategies, business segments and operations, CG Framework and key risks. In addition, site visits are organised to enhance the Directors' understanding of the Group's operations.

New Directors are also updated on the ongoing and potential projects undertaken by the Group. The onboarding programme helps the new Directors familiarise themselves with the Group's businesses.

In line with Paragraph 15.08 of the MMLR, the Directors recognise the importance and value of attending conferences, trainings and seminars, to keep themselves abreast of the development and changes in the operating environment across industries that the Group operates in, as well as being updated on the new statutory and regulatory requirements.

For further details on Directors' training, refer to the BNRC Report on pages 256-257.

Governing sustainability

Sustainability governance is embedded within the Group's corporate governance framework, with clear accountability, structured oversight and coordinated execution across Board, Management and operational levels. This governance structure supports the systematic integration of sustainability and climate-related risks and opportunities into the Group's strategy, risk management and decision-making processes.

The Board and its Committees play a central role in overseeing the Group's sustainability and climate-related strategies and ensure that they possess and continue to develop the necessary skills and competencies to discharge these responsibilities effectively. Directors participate in ongoing training programmes, briefings and knowledge-building sessions on emerging sustainability, climate and governance developments.

BOARD LEADERSHIP AND EFFECTIVENESS

The associated roles and responsibilities are illustrated below:

Board of Directors ▶	• The Board provides input into the formulation of and endorses the Group's sustainability policies and commitments • Endorses and exercises overall governance and oversight over the Group's sustainability agenda • Exercises oversight and governance over the management of material sustainability matters • Endorses and approves sustainability reports and related information for issuance
BRSC ▶	• BRSC drives the development of the Group's sustainability policies, strategies, commitments and frameworks, and recommends the same for the Board's approval and endorsement • Provides oversight over the management of sustainability risks and opportunities • Monitors performance in meeting sustainability commitments • Reviews and endorses sustainability-related reports and information, and recommends the same for Board's approval and endorsement • Oversees the setting, review and monitoring of the Group's climate- and sustainability-related targets and associated performance metrics and remuneration linkages, and recommends these for Board approval where applicable
RMC ▶	• RMC is chaired by the GMD with members comprising Group Directors, Chief Operating Officers of Corporate Divisions and Business Sectors, and Heads of relevant Divisions • Develops and monitors the implementation of Group-wide sustainability and climate-related risk management strategies and priorities against targets
SSC ▶	• SSC is chaired by the Group Chief Financial Officer with members comprising Heads of Group Risk Management and Sustainability, Group Strategic Communications, Group Human Capital, Group Corporate Management and Group Procurement • SSC reviews the implementation of sustainability- and climate-related policies, strategies and initiatives against milestones and targets

The Group's sustainability strategic direction is guided by the Net Zero Roadmap, which forms integral components of strategic planning and supports the commitment to achieve net-zero emissions by 2050. These commitments are reinforced through a comprehensive Sustainability Policy that applies across the Group's products and services, subsidiaries, operational units and supply chains.

Collectively, this governance framework provides a coherent and disciplined approach to overseeing sustainability and climate related risks and opportunities, while ensuring that decision-makers across the organisation remain appropriately equipped to respond to evolving regulatory, strategic and risk considerations, in support of long-term value creation.

Further details on how sustainability and climate related risks and opportunities are addressed as part of corporate governance are set out in the CG Report under Practice 4. Information on the Group's sustainability commitments and performance for the year under review is presented in Section 4 - ISSB Sustainability Statement and Section 5 - Sustainability in Action on the pages 100-223.

DELEGATION OF AUTHORITY

The Board is collectively responsible for delivering sustainable value through effective oversight and stewardship of the Group's business operations. In addition, through its Board Committees, the Board provides guidance and oversight on risk management, internal control, and governance matters. To support this, a framework of delegated authority has been established to ensure that the appropriate level of authority is assigned to the relevant nature of transactions, enabling the Board, its Committees and Senior Management to operate within clearly defined powers.

Board Committees

Presently, the Board is supported by three Board Committees, specifically the BNRC, BAC and BRSC, with delegated responsibilities to oversee the Group's affairs. The Committees are authorised to act on behalf of the Board in accordance with their respective Terms of Reference ("TOR").

Each Board Committee will review and, if thought fit, report and make recommendation(s) to the Board during Board meetings on matters relevant to their roles and responsibilities. The Board maintains collective oversight over the Board Committees at all times, by reviewing their functions and TOR against the provisions of the MCCG and other related policies and regulatory requirements, from time to time. The details of the TOR of each Board Committee are available on the corporate website at https://www.drb-hicom.com/investors/corporate-governance/.

A Qualified and Competent Group Company Secretary

The Board is supported by a suitably qualified and competent Group Company Secretary, who is responsible for ensuring that the Board remains informed and updated on relevant laws, regulations, listing and policy requirements governing the Company and its businesses. This support is essential in enabling the Board to effectively discharge its oversight responsibilities and ensure compliance with all relevant laws, regulations and listing requirements. In that regard, the Group Company Secretary constantly keeps abreast of evolving regulatory changes and corporate governance best practices through ongoing training and professional development.

In addition, the Group Company Secretary ensures that all members of the Board, whether as a whole or in their individual capacity, have adequate resources to fulfil their fiduciary duties, and play a key role in managing the Directors' access to information, knowledge and training.

As an advocate for the adoption of corporate governance best practices, the Group Company Secretary monitors developments in governance standards, supports the Board in applying these practices to meet objectives and stakeholders' expectations, and ensures that high standards of corporate governance are consistently upheld across the Group.

By attending all Board and Board Committee meetings, the Group Company Secretary ensures that discussions and deliberations are well documented, and subsequently communicates key decisions and policies to the Senior Management for appropriate actions. The Group Company Secretary is also the focal point for shareholders' communication and engagement on corporate governance issues.

The role of the Group Company Secretary is specified clearly in the Board Charter. The profile of the Group Company Secretary is also presented on page 233 of this Integrated Annual Report 2025.

Supply of Proficient and Relevant Information

In the discharge of their duties, all Directors have direct access to the Senior Management, as well as unrestricted and immediate access to information relating to the Company's and the Group's business affairs to make data-based, well-informed decisions.

Prior to Board and Board Committee meetings, a formal and structured agenda along with a set of Board and Board Committee papers containing information relevant to the matters to be deliberated at the meeting is forwarded to all Directors, at least five business days before the relevant Board and Board Committee meetings. This is to enable the Directors to have sufficient time to review, consider and if necessary, obtain further information or research on the matters to be deliberated, in order to facilitate robust discussions during meetings.

The Directors may also seek independent professional advice at the Company's expense in furtherance of their duties. The Board and Board Committee papers may contain the Company's and the Group's financial performance, business outlook and various Board Committees' reports.

Access to Board papers is available online through a collaborative software which allows the Directors to securely access, read and review the documents and collaborate with other Directors and the Group Company Secretary electronically at any time.

Any proposals and recommendations by the Management will be discussed at GMC meetings and the GMC's recommendations will be put forth, either to the relevant Board Committees for deliberation and endorsement, or directly to the Board for approval. With regard to proposals tabled at Board Committees, the Chairmen of the respective Board Committees will brief the Board to obtain the relevant approvals.

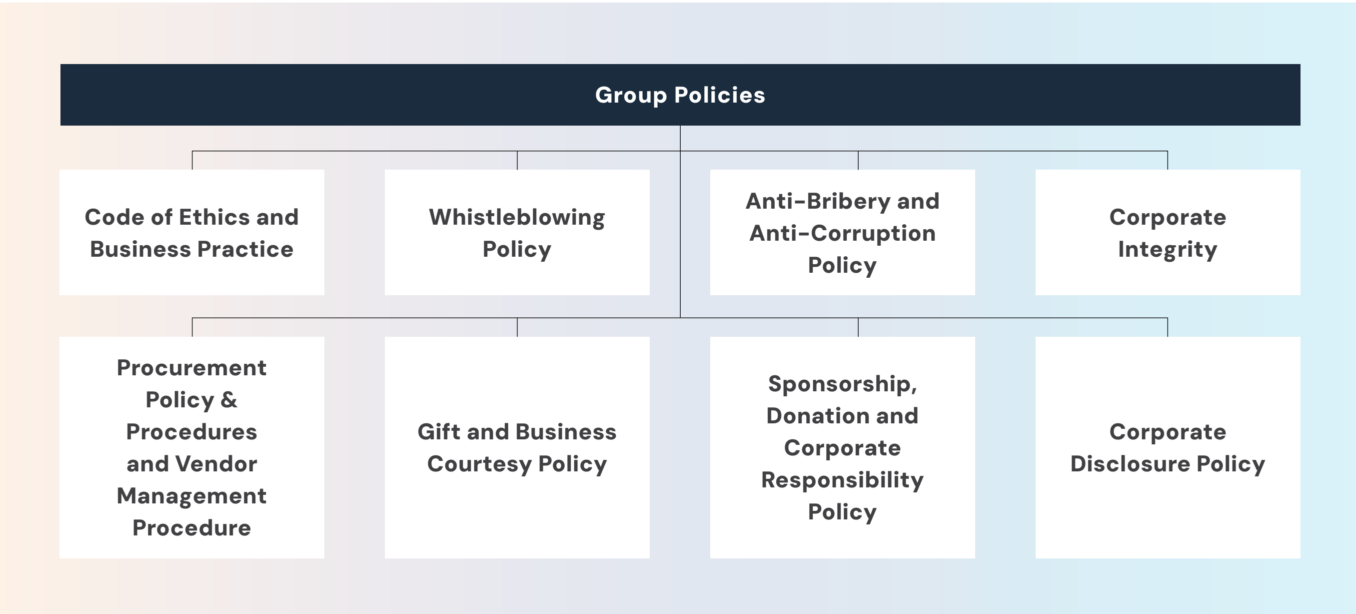
The GMD and the Management will lead the presentation of the Board and Board Committee papers and provide comprehensive explanations on strategy and business plans, business performance and other pertinent issues. All matters raised, declarations made by interested Directors, deliberations, decisions, and conclusions including dissenting views made at Board or Board Committee meetings, with clear actions to be taken by responsible parties, are recorded in the minutes. All interested parties must also abstain from participating in the deliberation and Board's decision on the matter.

Minutes of Board and Board Committee meetings are circulated to the Board members for verification in a timely manner. The Minutes are tabled at the following meeting, to ascertain that all deliberations have been recorded accurately and thereafter, the minutes are confirmed for the signature of the Chairmen.

Through regular Board meetings, the Board receives updates on new statutory and regulatory requirements relating to the duties and responsibilities of the Directors and their impacts and implications to the Company, Group and themselves. The Directors are also notified of any corporate announcement(s) released to Bursa Securities and impending restrictions on dealing with securities of the Company, ahead of announcements of financial results, significant corporate developments or transaction.

INTEGRITY AND ETHICS

The Group is committed to upholding highest ethical and procedural standards that are aligned with the prescribed values and objectives of the Group. To this end, the Group has in place internal policies, standards, guidelines, procedures and codes in support of the Group's Corporate Governance Framework which is illustrated below.



(a) Code of Ethics and Business Practice

DRB-HICOM is committed to maintaining the highest standards of conduct at the workplace and in business engagements. The Code of Ethics and Business Practice ("COEBP") of the Group serves as a formal commitment to ensure that employees act in a professional manner at all times and conduct businesses in a transparent, appropriate, fair and responsible manner. There are eight underlying principles that employees must observe, which include Honesty, Integrity, Leadership, Professionalism, Loyalty, Responsibility, Trustworthiness and Personal Conduct.

Further details on the COEBP are available on the Company's corporate website at www.drb-hicom.com.

(b) Whistleblowing Policy

DRB-HICOM Group's Whistleblowing Policy outlines the Group's commitment to offer and ensure that employees, business associates, and third parties can confidently and anonymously, if they wish, voice concerns/complaints regarding any improper conduct or malpractice observed within the DRB-HICOM Group.

The Whistleblowing Policy includes provisions for anonymous reporting, offering whistleblowers an added level of confidentiality and is consistent with the Whistleblower Protection Act, 2010. However, it does not absolve employees and stakeholders from their statutory obligations contained in any act and/or regulation to report criminal offences and/or breaches of laws to relevant enforcement agencies. Whistleblowers submitting disclosures via DRB-HICOM's whistleblowing channels are accorded protection of their identity, to the extent reasonably practicable. All reports or concerns will be properly investigated, and whistleblowers are protected against retaliation, victimisation, harassment or discriminatory treatment.

The Whistleblowing Policy was last revised on 27 February 2025 to enhance its content for better clarity, understanding, and practical application. The revisions aim to strengthen the Group's commitment to integrity and good governance by providing a clear and accessible framework for reporting improper conduct.

The Whistleblowing Policy is available on the corporate website at www.drb-hicom.com.

(c) Anti-Bribery and Anti-Corruption Policy

The Board and Top Management of DRB-HICOM reaffirm their commitment to the highest standards of ethics, integrity, and accountability. This commitment is reflected through the establishment and continuous enhancement of the Group's Anti-Bribery and Anti-Corruption Policy ("ABAC Policy"), originally introduced in August 2020 and subsequently revised in December 2022 and August 2024.

DRB-HICOM adopts a zero-tolerance approach towards any form of bribery and corruption involving its Board, Top Management, employees, and business associates. The ABAC Policy outlines the Group's commitment to prohibiting all forms of bribery and corruption, complying with all applicable anti-corruption laws and regulations, including the Malaysian Anti-Corruption Commission Act, 2009 (Act 694) and its amendments, establishing and maintaining effective Anti-Bribery and Anti-Corruption Management Systems ("ABACMS"), and encouraging the reporting of any suspected or actual bribery, corruption or misconduct through established whistleblowing channels.

The Board, Top Management, employees, and business associates are expected to fully understand, embrace and comply with the ABAC Policy. Any breach or non-compliance will result in appropriate disciplinary or legal action, underscoring the Group's steadfast commitment to conducting business ethically, responsibly, accountably and transparently.

DRB-HICOM promotes a strong culture of integrity through continuous communication on governance, anti-bribery and anti-corruption to internal and external stakeholders. Employees are required to sign the Corruption-Free Pledge to confirm their understanding of, and compliance with the ABAC Policy and applicable laws.

The Integrity and Governance Unit ("IGU"), established in July 2022 and supported by the Anti-Bribery and Anti-Corruption Steering Committee ("ABAC Committee"), oversees the implementation, maintenance and continuous improvement of the Group's Anti-Corruption and Anti-Bribery Programme ("ABAC Programme") programmes and ABACMS in line with the Ministerial Guidelines on Adequate Procedures' T.R.U.S.T. principles. This structure reinforces the commitment of the Board and Top Management.

The ABAC Policy Statement is available on the corporate website at www.drb-hicom.com.

(d) Corporate Integrity

The MACC Act 2009 now includes a corporate liability provision, making organisations responsible for corruption committed by persons associated with them to gain business or advantages. DRB-HICOM has implemented measures to ensure adequate and appropriate procedures are in place to prevent associated persons from breaching Section 17A of the MACC Act (2018 Amendment).

In line with the T.R.U.S.T principles, the Group has undertaken the following initiatives:

T — Top-Level Commitment

- Establishment of the IGU, supported by the ABAC Steering Committee.
- Publication of the "Tone from the Top" Statements, reinforcing zero tolerance towards bribery and corruption.
- Regular reporting to the Board and Top Management.

R — Risk Assessment

- Enhanced Corruption Risk Assessment ("CRA") process.
- Ongoing CRA activities to identify high-risk areas and strengthen mitigation measures.
- Continuous monitoring of CRA processes.

U — Undertake Control Measures

- Enhancement of anti-bribery and anti-corruption-related documents, including the Whistleblowing Policy, Codes of Ethics and Business Practice, ABACMS Manual, ABACMS Audit Procedures, and CRA Guidelines.
- Establishment of the Conflict of Interest Manual and ABAC Steering Committee Manual.
- Formalisation of the Information Evaluation Committee to oversee complaint management.

S — Systematic Review, Monitoring and Enforcement

- Obtained the MS ISO 37001:2016 Anti-Bribery Management Systems ("ABMS") Certification, providing external assurance of the effectiveness and compliance of the ABACMS.
- ABACMS internal audit assignments across the organisation.
- Review of DRB-HICOM documented information for ABMS compliance.

T — Training and Communication

- Provision of Integrity, Governance, and anti-bribery and anti-corruption-related training sessions.
- Awareness and communication initiatives including talks, focus group sessions, internal knowledge sharing, e-posters, videos, refresher online training, and games.
- Reinforcement of the Corruption-Free Pledge for all employees.

Some of the other available key internal policies, standards, guidelines, procedures and codes are outlined below:-

DRB-HICOM Group Procurement Policy and Procedures

Sets out the rules on how procurement activities and processes shall be carried out within the Group, in a manner that is transparent, fair and sustainable whilst achieving the desired quality at the most economical terms.

Gift and Business Courtesy Policy and Procedures

Provides a set of guidelines on procedures and processes relating to the acceptance and provision of gifts and/or business courtesies to and from other parties. It is applicable to all employees to govern their conduct with regard to the acceptance and provision of gifts.

Sponsorship, Donation and Corporate Responsibility Policy and Procedures

Outlines the priorities and guides the processing and evaluation of any sponsorship, donation and corporate responsibility proposals or activities. It states clearly that DRB-HICOM only considers genuine requests and will not provide any consideration to organisations/ companies that are in legal or financial conflict, or which are connected to any political party or group. Moreover, it is a guide to support proposals or activities that are aligned to Economic, Environmental and Social Pillars.

Corporate Disclosure Policy

Endorses prompt and timely dissemination of accurate and relevant information concerning DRB-HICOM and the Group to shareholders, investors and other stakeholders, to enable them to make informed decisions. It outlines the central policy and procedures on the disclosure of material information, in accordance with the MMLR of Bursa Securities and any other regulatory requirements, and practices in communicating with investors, shareholders, media and regulators.

Board Remuneration

The Board has established a Directors' Remuneration Framework, which is aligned to be competitive and appropriate to attract, retain and motivate high calibre individuals with strong credentials to serve on the Board of the Company.

The BNRC is responsible for reviewing and recommending the remuneration framework for the Directors and Senior Management to the Board. It seeks to ensure that the remuneration packages are appropriate, transparent and competitive, aligned with prevailing market practices, and closely linked to the Group's performance and the creation of shareholders' value.

For further details on Directors' remuneration, refer to the BNRC Report on pages 257-258.

Remuneration of Senior Management

The Company has in place a robust remuneration structure for the Senior Management, designed to attract, retain and motivate executives of the highest calibre and integrity to lead the Group effectively. The Company is guided by its framework in formulating fair, transparent and competitive remuneration packages for the Senior Management. The remuneration of the Senior Management is closely linked to performance measured through the achievements of individual key performance indicators. While the Company does not currently implement a deferred remuneration or restricted bonus scheme or beneficial shareholding for Senior Management, it is considering the potential adoption of such mechanisms in the future.

The GMD's remuneration is structured to link his rewards to the achievement of his key performance indicators ("KPIs") and the performance of the Group. As part of the Group's sustainability integration, sustainability-linked KPIs are embedded within the remuneration structures for the senior leadership, including the GMD, Group Chief Financial Officer and Senior Management. These KPIs form part of the performance evaluation framework and are directly linked to remuneration outcomes.

The BNRC reviews the performance of the GMD annually and submits their views and recommendations to the Board on adjustments in remuneration and/or rewards to reflect the GMD's contribution towards the Group's achievements for the year. The GMD recuses himself from the deliberations and voting on his remuneration and/or rewards at Board meetings. Additionally, the BNRC also reviews salary increments and bonuses of the Senior Management/Key Senior Executives.

For more information on the sustainability and climate-related targets linked to senior management remuneration, please refer to Section 4 - ISSB Sustainability Statement and Section 5 - Sustainability in Action on the pages 100-223.

EFFECTIVE AUDIT AND RISK MANAGEMENT

Board Audit Committee

The composition of the BAC is in line with Practice 9.1 of the MCCG, which requires that the position of the BAC Chairman and the Board Chairman be held by different Independent Directors of the Company.

The BAC of the Company comprises three members, all of whom are INEDs. The BAC has discharged their functions, duties and responsibilities well in accordance with the TOR and efficiently assisted the Board in making informed decisions on matters relating to the quarterly results, year-end financial statements, assessment of external auditors and internal audit function. The composition of the BAC complies with Paragraphs 15.09 and 15.10 of the MMLR of Bursa Securities. None of the BAC members were former audit partners who are required to observe a cooling-off period of at least three years before being appointed in accordance with the TOR of the BAC.

The Company encourages all members of the BAC to undertake continuous professional development to keep themselves abreast of relevant developments in the accounting and auditing standards, practices and rules.

For further details on the BAC's roles and activities, refer to the BAC Report on pages 262-264 of this Integrated Annual Report 2025.

Risk Management and Internal Control Framework

The Board acknowledges the importance of an effective system of internal controls in safeguarding the shareholders' investments, the Group's assets and other stakeholders' interests, as well as ensuring compliance with applicable laws and regulations.

In relation thereto, the BAC plays a crucial role by monitoring the Group's management of financial risk and internal controls system, including internal controls over financial reporting on behalf of the Board. The BAC evaluates the overall adequacy and effectiveness of the system of internal controls and its administration.

The Board has delegated to the BRSC the responsibility of overseeing the effectiveness and adequacy of the risk management framework and policies of the Group, ensuring that significant risks faced by the Group are managed appropriately to mitigate exposures to potential losses in response to the ever-changing business environment.

Similarly, the BRSC ensures that robust risk management procedures and measurement methodologies are in place within the Group, so that the Board can formulate proactive and effective policies to eliminate or minimise corporate and operational risks of the Group, particularly those which are sustainability- and climate-related. In addition, BRSC is also responsible for overseeing the business continuity management of the Group.

The Group has in place an Enterprise Risk Management framework which is based on the ISO 31000:2018 – Risk Management Guidelines to navigate and regulate the Group's risk practices. The Risk Management Policy is subject to periodic review, revision, validation and approval to ensure that it is sufficiently capable to respond to changes in risk profiles and remains aligned with the Group's business strategy.

For the financial year under review, the Board is of the opinion that the system of internal controls and risk management processes are adequate and appropriate. The Board also addresses the impact of key risks on the business operations of the Company and the Group. There were no major weaknesses identified within the internal controls and risk management processes that could result in any material loss or uncertainty, which would require disclosure.

Details of the Company's and the Group's internal control system and framework are set out in the BRSC Report on pages 259-260 and Statement on Risk Management and Internal Control on pages 265-276 of this Integrated Annual Report 2025.

Compliance with applicable Financial Reporting Standards

The Board ensures that shareholders are presented with a clear, balanced and meaningful assessment of the Company's and the Group's financial performance and prospects through the audited financial statements, annual report and quarterly announcement of results.

The BAC assists the Board to oversee adequacy and proper working of the Company's and the Group's financial reporting processes and quality of the financial reporting.

In addition, the BAC reviews financial information disclosures together with the external and internal auditors to ensure completeness, accuracy and adequacy prior to recommending the same for the Board's approval. This is to ensure that the financial statements are drawn up in accordance with the provisions of the Companies Act 2016, Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

The Statement of Directors' Responsibility in respect of the preparation of the Financial Statements of the Group is set out on page 277 of this Integrated Annual Report 2025. The details of the Group's Audited Financial Statements for the financial year ended 31 December 2025 are presented on pages 280-515 of the Integrated Annual Report 2025.

Related Party Transactions

The Board, through the BAC, reviews all related party transactions. The Directors further accede that by declaring their conflicts of interests in any transaction, they are to abstain from the deliberation and voting on the relevant resolutions at the Board or any general meeting convened to consider the matter.

There are procedures established by the Company to ensure that all related party transactions are undertaken at an arm's length basis and on normal commercial terms, consistent with the Company's usual business practices and policies, which are on terms not more favourable than those generally available to the public and are not detrimental to the minority shareholders and are in the best interests of the Company and the Group.

The Related Party Transactions Policy and Procedure outlines the framework and processes for identifying, monitoring, evaluating, reporting and approving Related Party Transactions ("RPTs") and Recurrent Related Party Transactions ("RRPTs"). In particular, it serves as a guide to the BAC and Board in discharging their responsibilities to provide oversight of RPTs and RRPTs within the Group.

The Company proposes to seek its shareholders' approval for the renewal of the existing shareholders' mandate for the Group to enter into RRPTs of a revenue or trading nature with related parties at the Company's forthcoming 36th Annual General Meeting ("AGM").

The details of the Proposed Shareholders' Mandate are disclosed in the Circular to Shareholders dated 27 April 2026, and if approved, would be valid until the Company's next AGM.

Independence of External Auditors

The re-appointment of KPMG as the external auditors of the Company for the financial year ended 31 December 2025 until the conclusion of the Company's next AGM was approved by the shareholders of the Company during the 35th AGM held on 28 May 2025.

The Board, via the BAC, maintains a formal and transparent professional relationship with the Group's auditors, internal and external.

During the financial year under review, the external auditors attended five BAC Meetings to discuss their audit plan, audit findings and the audited financial statements. The external auditors highlight to the Board, through the BAC, matters that require the BAC's or Board's attention, together with the recommended actions thereof. The Management of the Company and the Group is held responsible for ensuring that all these corrective actions are undertaken within an appropriate time frame.

The BAC met with the external auditors, without the presence of the GMD and Senior Management, twice (on 26 March 2025 and 21 November 2025) during the financial year under review, to encourage greater exchange of independent views and opinions on matters related to their findings.

If it becomes necessary to replace the external auditors due to reasons of their performance or independence, the responsibility for the selection, appointment and removal of the external auditors has been delegated to the BAC. The BAC shall thereafter recommend its proposal to the Board for approval.

Effective Communication with Stakeholders

The Board recognises that effective stakeholder engagement is a key element of good corporate governance. Guided by the Corporate Disclosure Policy, the Group is committed to ensuring accurate, clear, timely and fair disclosure of material information relating to the Group's performance, operations, and strategic matters to all relevant stakeholders.

A dedicated Investor Relations team supports the Chairman, GMD and Group Chief Financial Officer in ensuring a consistent and transparent line of communication with external stakeholders. The DRB-HICOM website hosts all necessary corporate and financial information for the benefit of the public as well as provides an avenue for investors to share feedback and submit queries.

In addition, the Group undertakes regular and structured communication through consistent disclosure of comprehensive information, including quarterly financial results, press releases and announcements to Bursa Securities. In addition, the Group maintains constructive engagement with investors, shareholders, regulators, employees, and other key stakeholders, as and when needed, to promote transparency, foster trust and strengthen confidence in the Group's governance and long-term direction.

In 2025, DRB-HICOM issued its Integrated Annual Report for the financial year 2024 ("IAR 2024"), based on the International Integrated Reporting Council's Integrated Reporting Framework. Through this IAR 2024, the Group demonstrates its continuous commitment to improve the quality of information disclosures to stakeholders and promote greater transparency and accountability.

The details of the Group's investor engagement initiatives are set out in the Investor Relations section on pages 72-73 of the Integrated Annual Report 2025. The primary contact for all queries pertaining to investor relations matters can be accessed from the corporate website at www.drb-hicom.com/investors.

Annual General Meeting

The AGM is the principal forum of open dialogue with shareholders. The Notice and Agenda for the 35th AGM together with Proxy Forms were provided to shareholders not less than 28 days before the AGM, affording sufficient time to prepare themselves to attend the AGM or to appoint proxies to attend and vote on their behalf. The Notice and Agenda for the 35th AGM, accompanied by explanatory notes and a statement explaining the rationale and effects of each agenda item, were published in a local English newspaper and made available on the DRB-HICOM corporate website. Additionally, an Administrative Guide was issued and published on the corporate website, to guide the shareholders on the registration for the physical AGM.

DRB-HICOM's 35th AGM was held physically at the Glenmarie Ballroom, Glenmarie Hotel & Golf Resort, No. 1, Jalan Usahawan U1/8, Seksyen U1, 40250 Shah Alam, Selangor Darul Ehsan on 28 May 2025. Five out of six Board members, the Senior Management and external auditors were present at the 35th AGM.

The Chairman of the Board convened the 35th AGM in an orderly manner. Prior to tabling the agenda for the 35th AGM, the shareholders were briefed by the GMD on the Group's business performance for the financial year ended 31 December 2024. Following which, the Group Chief Financial Officer shared detailed responses to questions that were submitted by the Minority Shareholders Watch Group ("MSWG") prior to the AGM. The replies to MSWG were uploaded on the Company's corporate website ahead of the AGM.

A total of 942 shareholders and proxy holders were present at the AGM. The shareholders participated actively in the question-and-answer session, were provided with ample opportunity to raise questions, and were given answers to all the queries, with the responses published on the Company's website after the AGM. The Company engaged Boardroom Share Registrars Sdn. Bhd. as the Poll Administrator, and all resolutions set out in the agenda for the 35th AGM were voted on by way of a poll conducted through online electronic poll voting. The results of the online voting were verified and validated by SKY Corporate Services Sdn. Bhd., the independent scrutineer of the AGM.

The minutes of the general meeting proceedings (including the attendance of the Directors, questions raised by the shareholders and the respective responses, the outcome of the voting and responses to the MSWG's queries) are made available to the shareholders and public on the corporate website at www.drb-hicom.com/investors/general-meetings.

This CG Overview Statement was approved by the Board of Directors of the Company on 26 March 2026.

BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

The Board Nomination and Remuneration Committee ("BNRC") plays a pivotal role in overseeing key areas related to Board composition, executive leadership, and remuneration practices. The BNRC identifies and recommends candidates for Board appointments, ensuring alignment with DRB-HICOM's objectives as well as ensuring that the proposed candidate has the right skills, experience and diversity to support the Company's strategic goals.

The BNRC also ensures good corporate governance by overseeing executive remuneration and promoting ethical standards, such as ensuring that compensation structures are performance-driven and aligned with industry benchmarks, promoting transparency and fairness, and fostering trust with stakeholders by upholding ethical standards and accountability.

COMPOSITION OF BNRC

As at the date of this report, the BNRC is composed exclusively of Independent Non-Executive Directors ("INEDs"), ensuring objectivity and impartiality in its deliberations. The Committee is chaired by Tan Sri Wan Zulkiflee Wan Ariffin, an INED who brings extensive expertise and leadership to the role.

The attendance of each BNRC member during the year is as follows:

Name of Committee Members	Number of Meetings	
	Attendance	%
Tan Sri Wan Zulkiflee Wan Ariffin *Chairman/Independent Non-Executive Director*	5/5	100
Datuk Idris Abdullah @ Das Murthy *Independent Non-Executive Director* *(Resigned on 9 June 2025)*	1/3	Not applicable
Uji Sherina Abdullah *Independent Non-Executive Director*	5/5	100
Dato' Adnan Hisham Pawanteh *Independent Non-Executive Director* *(Appointed on 1 December 2025)*	1/1	100

The Board is confident that the current composition of the BNRC provides a well-balanced mix of skills, knowledge, and experience to safeguard the interests of all shareholders and effectively support the needs of the Group.

KEY ROLES

The BNRC assumes responsibility for the following duties on behalf of the Board:
- Annual review of the structure, size, balance and composition of the Board and its Committees
- Nomination and appointment of new Board members
- Evaluation of the Board, continuous training and development needs of the Board members, remuneration, and human resources functions.

The roles and responsibilities of the BNRC are set out in its Terms of Reference ("TOR") which can be found on the DRB-HICOM website at https://www.drb-hicom.com/investors/corporate-governance/.

SUMMARY OF MAIN ACTIVITIES IN 2025

During the financial year under review, the BNRC carried out activities in the discharge of its duties and functions, among others, as follows:

Strategic

- Reviewed the Succession Planning and Talent Management of DRB-HICOM and the Group
- Reviewed the structure, size, balance and composition of the Board and its Committees
- Evaluated and reviewed the Results of the Corporate KPIs for DRB-HICOM and the Group for the financial year 2025 and the KPIs for DRB-HICOM and the Group for calendar year 2026
- Evaluated and reviewed the proposed Talent Philosophy of the Company

Governance

- Conducted the annual assessment of the effectiveness of the Board and Board Committees, as well as the contribution of each Director
- Reviewed the training programmes attended by the Directors to ensure that all Directors received appropriate continuous training

Nomination

- Considered and recommended for the re-election of eligible Directors at the 35th AGM
- Reviewed and recommended the appointment and/or change of nominee Directors of the main subsidiaries of the Company
- Reviewed the proposed appointments/ secondments of Chief Executive Officers ("CEOs")/Deputy CEOs of key subsidiaries of the Group
- Reviewed and recommended the appointment of new Directors and the composition of the Board Committees of DRB-HICOM

Remuneration

- Reviewed the revision to the salary structure
- Reviewed and recommended the payment of annual performance bonus and annual increment to all eligible personnel of the Group

Board Independence

The Board recognises the important contributions INEDs make towards good corporate governance. All Directors, regardless of their independence status, are required to act in the best interest of DRB-HICOM and the Group. and exercise unfettered and independent judgement. As at 31 December 2025, all of the Board members who are INEDs satisfy the following criteria:

a) Independent from Management and free from any business or other relationship which could interfere with independent judgement or the ability to act in the best interest of DRB-HICOM and the Group.

b) Not involved in the day-to-day operations of DRB-HICOM and the Group's subsidiaries other than when a collective Board approval is required. This mitigates the risk of undue influence from third parties and allows INEDs to exercise fair judgement.

c) Declare their interests or any possible conflict of interest or duty and material personal interest in any matter that relates to the affairs of DRB-HICOM and its companies by providing written notice to the Board and the Company Secretary prior to the commencement of Board meetings.

Directors are able to ascertain their involvement in any proposal as the papers are disseminated to them at least five business days before each meeting. In a situation where there is conflict of interest, Directors are required to recuse themselves and abstain from deliberation to allow unbiased and free discussion and decision making. This also holds true for and applies to Non-Independent Non-Executive Directors as well.

Tenure of Independent Director

The Board acknowledges Practice 5.3 of the MCCG that the tenure of an Independent Director does not exceed a term limit of nine years. Upon completion of the nine years, an Independent Director may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine years, it should provide justifications and seek annual shareholders' approval through a two-tier voting process. As at March 2026, none of the INEDs had served on the Board for more than nine years.

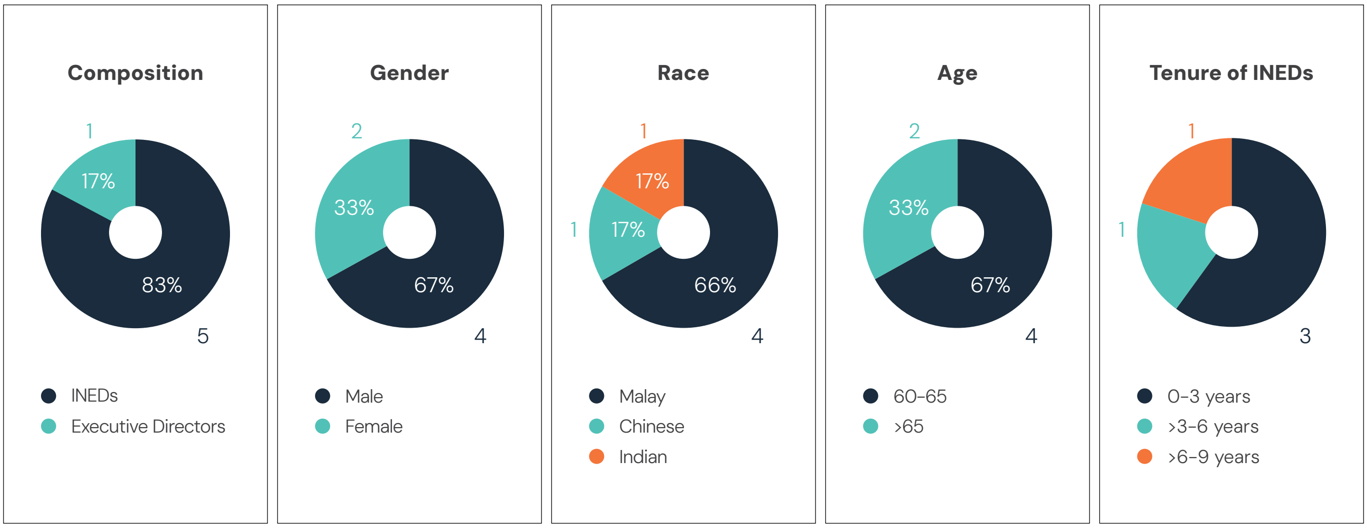
Board Diversity

The Board Diversity Policy sets out the approach for achieving diversity within the Board and its subsidiaries in terms of age, gender and ethnicity so that the necessary range of perspectives, experience and expertise can benefit the stewardship and management of the Group.

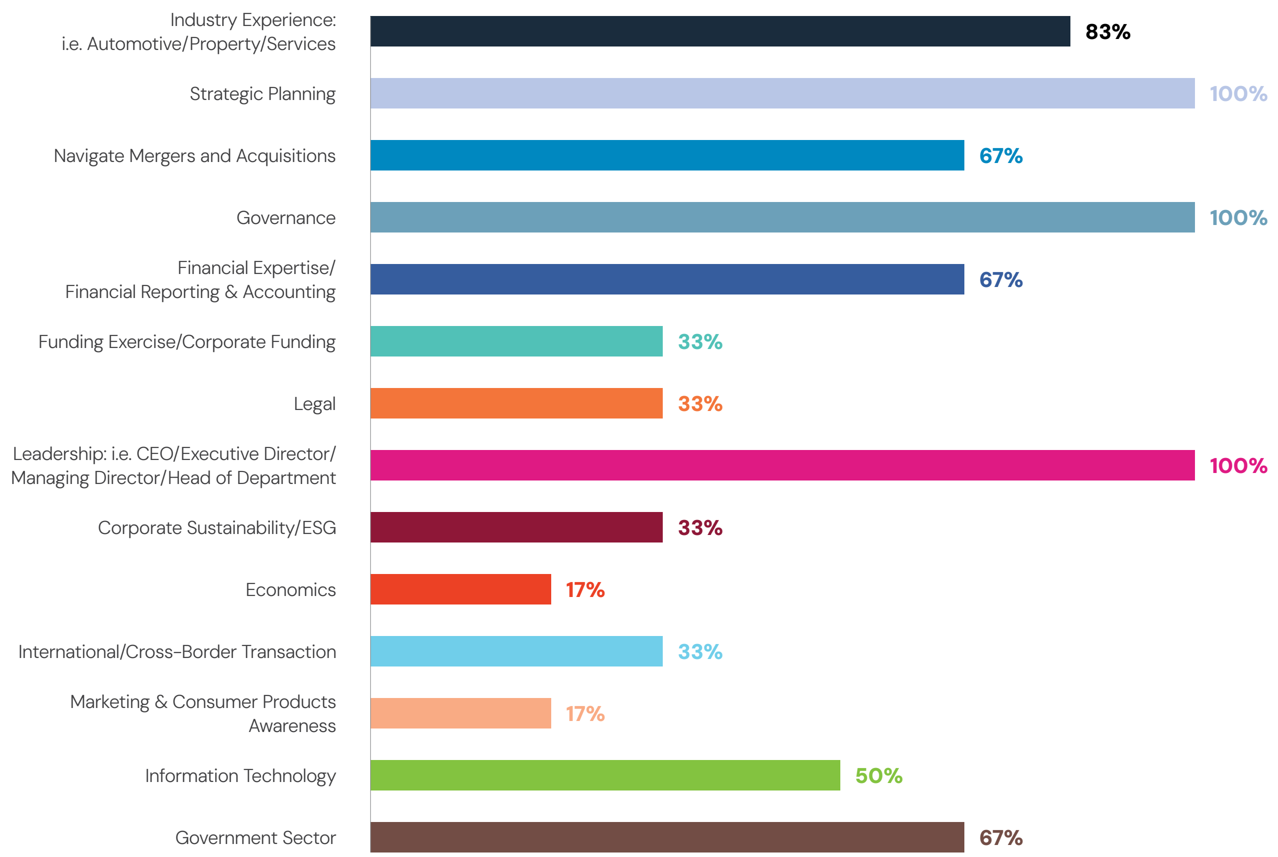
The Board is committed to ensuring that the Directors of the Group possess a broad balance of skills, knowledge, experience, background and independence, as the synergy of such diversity will contribute to the creation of an effective and dynamic Board.

The Board comprises highly qualified Directors, each an expert in his or her respective field. Collectively, they offer diverse perspectives that enrich deliberations and support the Group's position as a competitive leader across its varied industry segments. Their combined technical and professional expertise enables the Board to exercise effective oversight, provide strategic leadership, and drive performance. Moreover, the Board ensures that the Group upholds the highest standards of professionalism, transparency, integrity and ethical conducts.

As at 26 March 2026, the Board's diversity and competencies metrics are illustrated in the diagrams below:



Assessment on Diversity *(including Mix of Skill and Experience)*



The profile of each Board member is presented on pages 226-231 of this Integrated Annual Report 2025.

Board Appointment Process

The selection, nomination and appointment of suitable candidates to the Board are subject to a formal and transparent process. In this process, the BNRC reviews the existing Board composition such as the optimum size and diversity in terms of skills, experience, age, gender, capabilities, characteristics, professionalism, integrity, knowledge and such other factors which would contribute to the Board's collective skills and enhancement.

The BNRC considers the strategic directions of the Group and the Board Diversity Policy when evaluating candidates to fill any Board vacancy. Based on this review, the BNRC determines the selection criteria for the new appointment with the view to close any gap or strengthen the Board composition.

The BNRC's access to a wide pool of candidates is derived from various sources, both internally and externally, through the recommendations by the current Board members, professional associations and independent corporate director sourcing firms. The BNRC reviews the potential candidates and conducts engagement sessions with the shortlisted candidates prior to recommending the suitable candidate with relevant skillsets, expertise and experience to the Board for approval.

In addition, the Board Selection Criteria requires that an existing or former officer, adviser or transacting party of DRB-HICOM, or its related corporation, observe a mandatory three-year cooling-off period before being appointed as an INED. This criterion ensures independence and impartiality in the Board's oversight and decision-making.

For the appointment of a new INED, the BNRC also conducts an assessment of the potential candidate's fit and proper criteria according to the Fit and Proper Policy of DRB-HICOM. This due-diligence process is undertaken to ensure that potential appointees are suitably qualified and possess independence, integrity and ethical behaviour of the highest standard befitting and expected of a member of the Board.

The Board's appointment process is summarised as follows:

- Shortlisting of potential candidates in consultation with the Chairman of the BNRC
- Conducting a background reference check
- Evaluation by the BNRC on the suitability of the candidate and recommendation to the Board
- The Board's approval is subject to the candidate fulfilling the fit and proper assessment and completing the Conflict of Interest form and other statutory declarations
- Announcement to Bursa Securities.

During the year, DRB-HICOM embarked on a structured process to identify suitably qualified candidates to be appointed as Directors of the Company to fill the vacancies following the resignations of two previous directors. In further strengthening the Board's composition, the Institute of Corporate Directors Malaysia was approached to provide a list of potential candidates for the BNRC's evaluation and selection. Following the completion of this process, Madam Tang and Dato' Adnan were appointed as INEDs of DRB-HICOM on 18 February 2025 and 1 December 2025, respectively.

Following Madam Tang's appointment as an INED of DRB-HICOM, she was appointed as a member of the BAC and BRSC. On 1 December 2025, she was redesignated as Chairman of the BAC. Dato' Adnan was appointed as a member of the BNRC and BRSC on 1 December 2025. Given their extensive experience, the Board is confident that their contributions will further enhance its effectiveness in steering the Group towards continued success. These appointments underscore DRB-HICOM's ongoing commitment to enhancing decision-making by introducing diverse perspectives and strengthening impartiality of the Board.

Directors' Re-election and Re-appointment

The BNRC is responsible for recommending to the Board Directors who are standing for re-election at the forthcoming 36th AGM pursuant to Article 77 of DRB-HICOM's Constitution.

For the purpose of determining the eligibility of the Directors for re-election, the Board through the BNRC has assessed each of the retiring Directors via the findings of the Board Effectiveness Assessment 2025 on the Directors' performance and contributions during the financial year, taking into consideration, among others:

a. The Directors' level of contribution to the Board's deliberations based on their skills, experience and specific subject matter expertise.
b. That they had demonstrated objectivity in the Board's decision-making process.
c. That they had provided valuable feedback through the sharing of knowledge and experience.
d. That they had at all times acted in the best interests of DRB-HICOM and the Group.
e. The Directors' fitness and propriety as per the Fit and Proper Policy.

Based on the outcome of the BNRC's review, the retiring Directors' performance and contributions in the discharge of their duties during the assessment period were satisfactory and met the fit and proper assessment criteria in the Fit and Proper Policy of the Group, amongst others, probity, personal and financial integrity, competence and time management.

With that, the Board has approved the BNRC's recommendation for the re-election of the following Directors at the forthcoming 36th AGM:

a. Re-election pursuant to Article 77 of DRB-HICOM's Constitution
    i. Tan Sri Wan Zulkiflee Wan Ariffin
    ii. Tan Sri Syed Faisal Albar
b. Re-election of Dato' Adnan Hisham Pawanteh pursuant to Article 83 of DRB-HICOM's Constitution.

Board Effectiveness Assessment

The BEA is conducted annually under the purview of the BNRC to assess the effectiveness of the Board as a whole, the various Board Committees, the contributions of each individual Director and the independence of Independent Directors.

During the year, the BEA was conducted internally by the Corporate Secretarial Department based on a detailed questionnaire adopting the latest corporate governance framework and best practices.

The Corporate Secretarial Department then collated the information and presented the BNRC the outcome and findings from the BEA 2025. Pursuant to the BNRC's recent annual review and assessment, it was satisfied that the size and composition of the Board and Board Committees were appropriate and well-balanced, fairly reflecting the interest of major and minority shareholders of the Company.

The BNRC was also satisfied that all members of the Board were suitably qualified, in view of their respective competencies, character, qualifications and experience, which provided the Board with a good mix of skills and knowledge. These diverse skillsets had equipped the Board with access to a significant pool of relevant experience and business acumen. Based on the assessment for the financial year ended 31 December 2025, the overall outcomes were generally positive. The Board was satisfied with the overall performance and effectiveness of the Board and Board Committees in discharging their duties, functions and responsibilities.

With a view to raising the bar on the Board's governance practices and overall effectiveness, the Board members' comments/feedback were considered, and a Framework of Key Actions was drafted to facilitate and direct Management's focus towards areas that lend themselves to continuous improvement and enhancement.

Succession Planning

The Board, through the BNRC, has oversight over succession planning for the Board, Board Committees and Senior Management. Under its TOR, the BNRC is to ensure that all candidates appointed to these positions are of sufficient calibre and competence. In this respect, the factors considered by the BNRC include the candidates' profiles, experience, achievements, personality and suitability for the respective positions.

The BNRC is responsible for ensuring that an appropriate framework for succession planning for the Board and Management within the Group is in place. The Board acknowledges that in a competitive global environment where securing talents is a challenge, more attention is needed in managing the human capital development.

DRB-HICOM has established a Group Talent Council to comprehensively review and assess potential talents and successors, and monitor talent development programmes to ensure the readiness of identified candidates to assume critical positions. In discharging its responsibilities for succession planning, the BNRC receives succession planning and talent management updates from the Group Human Capital Division in accordance with the succession management framework.

Directors' training

During the financial year under review, the Directors participated in conferences, seminars and trainings covering a range of areas, among others, leadership, corporate governance, finance, risk management, IT and sustainability.

A forward-looking Directors' training programme for 2025 was prepared and shared with the Board members in December 2024 for the Board's information. Meanwhile, training programmes attended by the Board members in 2025 were tracked and presented at each BNRC meeting.

A non-exhaustive list of the training programmes attended by the Directors is listed below:

Tan Sri Wan Zulkiflee Wan Ariffin

Training Programmes
- Global Perspectives on Access to Finances for the Future Gas Industry
- Cross-Borders Partnership for A Resilient Gas Industry
- Fuelling the Evolving Malaysian Gas Landscape
- Talk on "Imposition of US Tariff and Impacts to the Group"
- Nestlé S.A.'s perspectives on Enterprise Risk Management
- US Tariffs Update and Implications
- Adaptability
- Capturing Conglomerate Synergies
- AI for Leadership
- The Geopolitical Business Forum
- Directors e-Invoicing Briefing
- Practical ChatGPT Skills Training for Leaders
- The Inaugural ASEAN Inclusive Growth Summit 2025
- ASEAN Business and Investment Summit 2025
- Artificial Intelligence (AI) Integration and Governance/Ethical Oversight
- Navigating the Digital Frontier: Technology Risks and Boardroom Strategies
- Closed-door Roundtable 2025 on Board Effectiveness and the Role of NEDs/INEDs

Tan Sri Syed Faisal Albar

Training Programme
- Talk on “Imposition of US Tariff and impacts to the Group”
- Pos Malaysia Strategic Review
- US Tariffs Update and Implications
- Adaptability
- Capturing Conglomerate Synergies
- Artificial Intelligence (AI) Integration and Governance/Ethical Oversight
- Navigating the Digital Frontier: Technology Risks and Boardroom Strategies

Dato’ Ibrahim Taib

Training Programme
- Talk on “Imposition of US Tariff and Impacts to the Group”
- Briefing on the New Global Internal Audit Standards
- AML/CFT/CPF and Anti-Bribery & Corruption
- US Tariffs Update and Implications
- Adaptability
- Capturing Conglomerate Synergies
- Briefing Session on SST
- Key takeaways from the Malaysian Insolvency (Amendment) Act 2023
- Artificial Intelligence (AI) Integration and Governance/Ethical Oversight
- Navigating the Digital Frontier: Technology Risks and Boardroom Strategies

Uji Sherina Abdullah

Training Programme
- E-Invoicing Essentials for Board Directors: Navigating the New Compliance Landscape
- Talk on “Imposition of US Tariff and Impacts to the Group”
- US Tariffs Update and Implications
- Adaptability
- Capturing Conglomerate Synergies
- Artificial Intelligence (AI) Integration and Governance/Ethical Oversight
- Navigating the Digital Frontier: Technology Risks and Boardroom Strategies
- The Foresight Boardroom: Decoding 2025 & Designing 2026

Tang Saw Hua

Training Programme
- Enhanced Conflict of Interest
- Talk on “Imposition of US Tariff and Impacts to the Group”
- Asia’s Energy Transition in a Changing World
- Sustainability Talk on the Course of the Energy Transition in 2025
- Promoting Corporate Purpose and Incentivising Integrity Across Your Company
- WCEF Accelerator Session: Boards Oversight of the Circular Value Chain
- Embedding Sustainability into Strategy and Execution
- 6th Series of the Malaysia Madani Scholars’ Forum – “Transport for the People: Balancing Affordability, Quality and Sustainability of Public Transport”
- UITP Summit 2025
- Board Oversight on Sustainability Disclosures: Understanding IFRS S1 & S2 Training
- Bursa Malaysia’s Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level
- US Tariffs Update and Implications
- Adaptability
- Capturing Conglomerate Synergies
- Petronas Board Conversation Series #Q2 2025: Sustainability Talk on The Strategy and Investment Decision-making Incorporating Nature Considerations
- PDB Accounting Upskilling 2025
- Artificial Intelligence (AI) Integration and Governance/Ethical Oversight
- Navigating the Digital Frontier: Technology Risks and Boardroom Strategies
- Maximising the Value of Advanced Technology for Governance: AI, Blockchain, Crypto & Quantum Computing
- Petronas Board Conversation Series #Q4 2025: Sustainability Talk on Reflection on COP30

Dato’ Adnan Pawanteh

Training Programme
- Mandatory Accreditation Programme (MAP) Part I
- MAP Part II: Leading for Impact (LIP)

Directors’ Remuneration Framework

The Board has established a Directors’ Remuneration Framework for NEDs, comprising Directors’ fees for serving on the Board and Board Committees as well as monthly and meeting allowances, which are deemed as benefits. The remuneration level for NEDs reflects their responsibilities and accountabilities on the Board and Board Committees. In addition, the Directors are safeguarded by Directors’ and Officers’ liability insurance for any liabilities incurred in discharging their duties.

The Directors' fees and benefits payable to the Non-Executive Chairman and NEDs are listed below:

		Directors' Remuneration (RM)	
		Chairman	**Member**
Fees (per annum)	**Board**	300,000	180,000
	BAC	60,000	40,000
	BNRC	10,000	8,000
	BRSC	30,000	20,000
Meeting Allowance (per meeting)	**Board**	2,000	2,000
	BAC	2,000	2,000
	BNRC	2,000	2,000
	BRSC	2,000	2,000
Monthly Fixed Allowance*		70,000 per month	Not applicable

Notes

* *Monthly fixed allowance to the Chairman is made in recognition of the significant role in leadership and oversight, and the wide-ranging scope of responsibilities as the Chairman of DRB-HICOM in all matters concerning the interests and businesses of the Group.*

Shareholders' approval will be sought at the 36th AGM for the payment of Directors' fees and benefits payable to the Non-Executive Chairman and NEDs, according to Section 230(1) of the Companies Act 2016.

Based on the framework above, details of the total remuneration of Directors of the Company for the financial year ended 31 December 2025 are summarised below:

Name	Salary, bonus and other emoluments (RM)	Company (RM)			Subsidiaries (RM)			Total (RM)
		Directors' Fees	Directors' other emoluments	Benefits-in-kind	Directors' Fees	Directors' other emoluments	Benefits-in-kind	
Non-Executive Directors								
Tan Sri Wan Zulkiflee Wan Ariffin	0	310,000	868,000[1]	35,200[2]	0	0	0	1,213,200
Dato' Ibrahim Taib	0	259,157	38,000	0	200,000[3]	122,000[3]	0	619,157
Datuk Idris Abdullah @ Das Murthy *(Resigned on 9 June 2025)*	0	113,406	8,000	0	37,097[4]	4,000[4]	0	162,503
Uji Sherina Abdullah	0	202,783	32,000	0	0	0	0	234,783
Tang Saw Hua *(Appointed wef 18 February 2025)*	0	209,685	36,000	0	0	0	0	245,685
Dato' Adnan Pawanteh *(Appointed wef 1 December 2025)*	0	17,522	4,000	0	0	0	0	21,522
Total	**0**	**1,112,553**	**986,000**	**35,200**	**237,097**	**126,000**	**0**	**2,496,850**
Executive Director								
Tan Sri Syed Faisal Albar Syed A.R Albar	4,368,385[5]	0	0	0	120,000[6]	12,000[6]	135,200[7]	4,635,585
Grand Total	**4,368,385**	**1,112,553**	**986,000**	**35,200**	**357,097**	**138,000**	**135,200**	**7,132,435**

Notes:-

1 *Directors' other emoluments comprised fixed allowance and meeting allowance for Tan Sri Wan Zulkiflee Wan Ariffin.*
2 *Benefits in kind comprised car/driver/petrol for Tan Sri Wan Zulkiflee Wan Ariffin.*
3 *Directors' fees and meeting allowance paid by Bank Muamalat Malaysia Berhad, a 70% owned subsidiary of DRB-HICOM, in respect of the services rendered by Dato' Ibrahim Taib.*
4 *Directors' fees and meeting allowance paid by Pos Malaysia Berhad, a 53.50% owned subsidiary of DRB-HICOM, in respect of the services rendered by Datuk Idris Abdullah @ Das Murthy.*
5 *Being the Group Managing Director of DRB-HICOM and including bonus payment for the previous financial year.*
6 *Directors' fees and meeting allowance paid by Pos Malaysia Berhad, a 53.50% owned subsidiary of DRB-HICOM, in respect of the services rendered by Tan Sri Syed Faisal Albar Syed A.R Albar.*
7 *Benefits in kind comprised annual leave passage and car/driver/petrol for Tan Sri Syed Faisal Albar Syed A.R Albar.*

This report on BNRC was approved by the Board of Directors of DRB-HICOM on 26 March 2026.

BOARD RISK AND SUSTAINABILITY COMMITTEE REPORT

The Board Risk and Sustainability Committee ("BRSC") is responsible for overseeing the effectiveness and adequacy of the risk management framework and policies of the Group and ensuring that the significant risks faced by the Group are managed appropriately to mitigate exposures to potential losses in response to the ever-changing business environment.

The BRSC also ensures the effective preparation of the Group's disclosure reports related to risk management and sustainability matters, as required by Bursa Malaysia Securities Sdn. Bhd. ("Bursa Securities").

COMPOSITION OF BRSC

As at the date of this report, the BRSC is composed exclusively of Independent Non-Executive Directors ("INEDs"), ensuring objectivity and impartiality in its deliberations. The Committee is chaired by Dato' Ibrahim Taib, an INED who provides leadership and oversight in his role as Chairman.

The attendance of each BRSC member during the year is as follows:

Name of Committee Members	Number of Meetings	
	Attendance	%
Datuk Idris Abdullah @ Das Murthy *Chairman/Independent Non-Executive Director* *(Resigned on 9 June 2025)*	1/2	50
Dato' Ibrahim Taib *Chairman/Independent Non-Executive Director* *(Redesignated as Chairman on 1 December 2025)*	4/4	100
Tang Saw Hua *Independent Non-Executive Director* *(Appointed on 18 February 2025)*	3/3	100
Dato' Adnan Pawanteh *Independent Non-Executive Director* *(Appointed on 1 December 2025)*	Not applicable	

The Board is confident that the current composition of the BRSC provides an appropriate balance of skills, knowledge, and experience to safeguard the interests of all shareholders and effectively support the Group's objectives and long-term business plan.

KEY ROLES

The BRSC assumes responsibility for the following duties on behalf of the Board:

- Formulating the Board's risk appetite at the Group level and providing strategic oversight on risk management and sustainability matters
- Ensuring effective oversight of the development of the Group's sustainability and climate-related strategies, priorities and targets to support the Group's long-term business strategy and success
- Reviewing, endorsing and overseeing the progress against appropriate targets and indicators of material sustainability matters identified for the Group, including climate-related risks and opportunities
- Ensuring effective assessment and monitoring of mitigating controls implemented to reduce the impact and likelihood of occurrence of identified risks and sustainability concerns.

The roles and responsibilities of the BRSC are set out in its Terms of Reference ("TOR"), which can be found on the Company's website at https://www.drb-hicom.com/investors/corporate-governance/.

SUMMARY OF MAIN ACTIVITIES IN 2025

During the financial year under review, the BRSC carried out the following activities in the discharge of its duties and functions, among others, as follows:

- Deliberated on and discussed the risk management report, encompassing the Group's key risks, summaries of principal subsidiary risk reports, analysis of risk trends and movements, and the overall business risk landscape.
- Deliberated on the cyber risk report, including the cyber risk scorecard, regulatory requirements, cyber resilience maturity assessment and software audits findings.
- Reviewed and discussed the Group's sustainability issues, initiatives and progress across the four key themes to ensure alignment with the Group's strategic objectives and governance framework:

Theme 1	Theme 2	Theme 3	Theme 4
Creating Customer Value	Protecting the Environment	Enriching People and Communities	Upholding Business Integrity

- Reviewed the update on safety and health matters of the Group, including reviews of safety performance and investigations relating to incident during the year.
- Reviewed the IFRS S1 and S2 implementation plan, to ensure readiness and alignment with evolving sustainability and climate-related reporting requirements.
- Considered climate-related risks and opportunities as part of the Group's sustainability and risk reporting during the year.
- Reviewed the Group's sustainability disclosure and the risk management statement and recommended their inclusion in the DRB-HICOM Integrated Annual Report 2025, noting the material sustainability matters and principal risks for the Board's approval.
- Deliberated on the DRB-HICOM Integrated Reporting roadmap, including key milestones and implementation progress.
- Reviewed and discussed the progress of the Business Continuity Management ("BCM") programme, including the annual BCM testing exercises conducted for Wisma DRB-HICOM and the Group's subsidiaries.

Further details on risks and sustainability matters are set out in Section 3, Section 4 and Section 5 of the Integrated Annual Report 2025.

This report on BRSC was approved by the Board of Directors of the Company on 26 March 2026.

BOARD AUDIT COMMITTEE REPORT

The Board of Directors ("the Board") of DRB-HICOM Berhad ("DRB-HICOM" or "the Company") is pleased to present the Board Audit Committee ("BAC") Report for the financial year ended 31 December 2025.

The BAC supports the Board by fulfilling its oversight responsibilities to appraise the Company's risk management, system of controls, and governance. This would include evaluating effectiveness of internal controls in regard to operational and financial aspects, conflict-of-interest situations, related party transactions, business ethics and compliance, corruption, fraud, and unethical conduct while nurturing governance, ethics, compliance to laws and regulations, and protecting the interest of stakeholders.

COMPOSITION OF BAC

The BAC is chaired by Madam Tang Saw Hua, comprising three members, all of them are Independent Non-Executive Directors as of the date of this report. The composition and meeting attendance of the BAC for the financial year ended 31 December 2025 are as follows:

Name of Committee Members	Number of Meetings	
	Attendance	%
Tang Saw Hua *Chairman/Independent Non-Executive Director* *(Appointed on 18 February 2025 and redesignated from Member to Chairman on 1 December 2025)*	6/6	100
Dato' Ibrahim Taib *Independent Non-Executive Director* *(Redesignated from Chairman to Member on 1 December 2025)*	6/6	100
Datuk Idris Abdullah @ Das Murthy *Independent Non-Executive Director* *(Resigned on 9 June 2025)*	1/3	33
Uji Sherina Abdullah *Independent Non-Executive Director* *(Appointed on 18 August 2025)*	2/2	100

The BAC's composition is aligned with Paragraph 15.09 (1)(a), (b), (c)(i) of Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements ("MMLR") and Step-up Practice 9.4 of the Malaysian Code on Corporate Governance ("MCCG"), which states that the Audit Committee must consist of not fewer than three members, all the Audit Committee members must be Non-Executive Directors, with a majority of them being Independent Directors, and at least one member of the Audit Committee must be a member of the Malaysian Institute of Accountants ("MIA"), where Madam Tang Saw Hua is a member of MIA. None of the BAC members were former audit partners, thus, the 3-year cooling-off period mentioned in the BAC's Term of Reference ("TOR") is not applicable.

The BAC is committed to the practice outlined in the MCCG 2021 Step-up Practice 9.1, in which the Chairman of the BAC is not the Chairman of DRB-HICOM's Board during the financial year under review.

The External Auditors, Chief Internal Audit and Integrity Officer ("CIAIO"), and relevant personnel from the Management are invited to attend the BAC meetings as and when needed by the BAC members to present their reports on interim financial reports, annual audited financial statements, as well as providing updates and developments on issues highlighted in the audit reports.

All audit issues discussed and deliberated during the BAC meetings are recorded in the minutes of each meeting by the Company Secretary, who also serves as the Secretary to the BAC. The BAC Chairman thereafter reports the BAC's recommendations on matters of significant concern to the Board for its consideration. The Company Secretary then issues action plans on the decisions made and actions required, which are circulated to the Management and relevant parties for their updates.

KEY ROLES

The BAC assumes responsibility for the following duties on behalf of the Board:

- Appraise that adequate system management and internal controls are in place to safeguard shareholders' interests and the Company's assets
- Review the annual and quarterly financial results of the Group focusing on, amongst others, financial disclosures, changes in accounting policies, and practices in compliance with the relevant accounting standards
- Review internal audit and external audit matters as well as integrity functions and related party transactions

The roles and responsibilities of the BAC are set out in its TOR, which can be found on the Company's website at https://www.drb-hicom.com/investors/corporate-governance/.

CONTINUOUS TRAINING AND DEVELOPMENT

The BAC acknowledges the importance of continuous education and training to keep its members abreast with the regulatory changes and developments in the areas related to their duties. For further details on the training programmes and seminars attended by the BAC members, refer to the Directors' Training on pages 256-257.

SUMMARY OF ACTIVITIES CARRIED OUT IN FINANCIAL YEAR 2025

During the financial year under review, the BAC in the discharge of its duties and functions, has carried out various activities, among others, as follows:

Financial Reporting

(a) Reviewed the unaudited quarterly financial results of the Group in line with the Malaysian Financial Reporting Standards ("MFRS") and Appendix 9B of the MMLR of Bursa Securities. The BAC reviewed and discussed the unaudited quarterly financial results of the Group with the Management and the External Auditors (where applicable) at the scheduled quarterly BAC meetings and recommended the same to the Board for consideration and approval before releasing the results to Bursa Securities.

(b) Reviewed the annual audited financial statements of the Company and the Group for the financial year ended 31 December 2025, before recommending to the Board for approval and subsequent tabling at the upcoming Annual General Meeting ("AGM").

(c) Reviewed and recommended the Directors' Statement on Risk Management and Internal Control, BAC Report, Corporate Governance Overview Statement, and Corporate Governance Report to the Board for its approval.

(d) Reviewed and recommended the Circular to Shareholders in respect of the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature to the Board for its approval.

(e) Reviewed Related Party Transactions and Recurrent Related Party Transactions of a Revenue or Trading Nature, which are necessary for the day-to-day operations in the ordinary course of business of the Company and its subsidiaries to ascertain if the transactions were undertaken on an arm's length basis on normal commercial terms not more favourable to the related parties than those generally available to the public or extended to unrelated parties and are not detrimental to the minority shareholders.

(f) Reviewed and endorsed for recommendation the final dividend payout for the Board's approval on 26 March 2025.

External Audit

(a) Assessed the performance of the External Auditors for the financial year ended 31 December 2025 in carrying out their audits during the year.

(b) Reviewed and approved the External Auditors' proposed Annual Audit Plan for the financial year ended 31 December 2025, including the terms of engagement and scope of work for the statutory audit. This included the annual assessment on the suitability, objectivity and independence of the External Auditors, KPMG PLT, in accordance with the factors prescribed by Paragraph 15.21 of the MMLR. During the meeting, the External Auditors affirmed their independence in accordance with the provisions of the by-Laws on Professional Ethics, Conduct and Practice of the MIA.

(c) The BAC held two meetings with the External Auditors without the presence of the Management team on 24 March 2025 and 21 November 2025.

(d) Reviewed and recommended the re-appointment of the External Auditors and their fees for the Board's approval.

Internal Audit

(a) Reviewed the Whistleblowing Policy that was tabled on 25 February 2025. After due deliberation, the BAC endorsed and recommended the revised Whistleblowing Policy to be tabled to the Board, which approved the Policy on 27 February 2025.

(b) Reviewed and approved the Group Internal Audit & Integrity Division's ("GIAID") proposed Annual Audit Plan for financial year 2026 at its meeting on the 21 November 2025, including the scope, functions, and manpower requirements.

(c) Reviewed the internal audit reports prepared and presented by GIAID during the BAC meetings held throughout the financial year ended 31 December 2025. This included reviewing GIAID's activities with respect to:
- Status of audit activities as compared to the approved Annual Audit Plan
- Results of scheduled audits, physical follow-up audits, desktop validation of highlighted audit issues, and special and thematic audit reviews
- Status of implementation, the effectiveness and adequacy of the Management's corrective action through follow-up audit reports and desktop validations to ensure that key risk and control issues were adequately addressed in a timely manner

(d) Assessed the Key Performance Indicators ("KPI") of GIAID, conducted the performance evaluation of the CIAIO for the financial year ended 31 December 2025, and recommended that the performance evaluation be submitted to the Board Nomination and Remuneration Committee ("BNRC") for further deliberation as well as the Board for approval on 26 February 2026.

(e) At its meeting on 26 February 2026, the BAC discussed the results of the overall performance evaluation conducted by its members on GIAID for the financial year ended 31 December 2025.

(f) The BAC held two private meetings on 26 March 2025 and 21 November 2025 with the CIAIO, without the presence of the Management team, to discuss internal audit functions, support and cooperation from the Management, and matters related to job independence.

Conflict of Interest

(a) The Company has established its Conflict of Interest Policy whereby the Board, through the BAC, regularly reviews conflicts of interest or potential conflicts of interest, including interests in any competing businesses. Any situation involving conflicts of interest, whether direct or indirect, actual or potential, must be declared and notified to the Company Secretary.

STATEMENT ON INTERNAL AUDIT FUNCTION

Roles and Responsibilities

The DRB-HICOM Group has established its own internal audit function, performed by GIAID, to provide an independent and objective assurance on the effectiveness of its established internal controls, risk management, governance, and integrity culture. The assurance performed is reported to the BAC and the Board based on the Annual Audit Plan for Financial Year 2025 approved on 19 November 2024. However, GIAID's purview excludes subsidiaries with their own internal audit functions and BAC structures, namely, Bank Muamalat Malaysia Berhad, Pos Malaysia Berhad, and PROTON Holdings Berhad.

The CIAIO reports functionally to the BAC and administratively to the Group Managing Director. The CIAIO periodically reports to the BAC on key control deficiencies, investigations, and integrity activities, in accordance to the approved Internal Audit Charter.

The GIAID's function has maintained its independence and objectivity by having no operational responsibility and staff of GIAID have completed their annual conflict of interest declarations with no anomalies noted.

Internal Audit Resources

As of 31 December 2025, the total staff strength of GIAID stood at 22, comprising 14 Internal Auditors, three Investigation personnel, three Integrity and Governance Unit ("IGU") personnel, and two support staff. The total cost incurred for the internal audit function for financial year ended 31 December 2025 was approximately RM4 million (FY2024: RM3.4 million), comprising mainly of salaries, training, and travelling expenses for audit assignments.

The BAC reviews and approves GIAID's financial budget and manpower requirements to ensure the function remains adequately resourced with competent and proficient Internal Auditors.

GIAID has invested in various internal and external training programmes to maintain and enhance the competency levels on both functional and professional developmental needs of the Internal Auditors.

Internal Audit Works

GIAID has applied a comprehensive audit planning approach by adopting a risk-based audit methodology to ensure adequate and comprehensive coverage of the Group's activities with a focus on auditable areas where the risks would have the most impact on the business objectives and results of the Group.

GIAID adopts the Institute of Internal Auditors' Global Internal Audit Standards ("GIAS") that became effective in January 2025 to guide the function in performing its audit engagements.

During the financial year, GIAID performed all the audit assignments as per the approved 2025 Annual Audit Plan. A total of 70 audit assignments, including scheduled audits, physical follow-up audits, special reviews, and thematic audit reviews were executed for the financial year ended 31 December 2025. The audits covered a broad range of auditable units, including branch operations under DRB-HICOM. Among the key areas covered during the financial year were:
- Business operations
- Insurance services
- Warehouse and inventory management
- Quality assurance
- Regulatory management

- Human resources management
- Governance and compliance review
- Safety and health management
- Budgeting and financial management
- Assets management
- Environmental, social, and governance
- Information technology.

The CIAIO attended all BAC meetings during the year to brief the BAC on the audit results, significant matters raised, and implementation status of corrective actions arising from audit recommendations. All audit issues identified in the audit reports were presented to the BAC and Board of the respective operating companies. Additionally, the Senior Management and relevant Management team members were briefed on the audit findings.

The Heads of Companies and/or Management of the audited operating companies or units, where required, were also invited to the BAC meetings to provide further explanation on the audit observations highlighted. The Management is accountable for ensuring the appropriate resolution of identified audit issues, including the implementation of action plans within a reasonable timeframe. Actions taken by the audited operating companies or units are followed up, tracked, and validated by GIAID, with updates on the resolution status of audit concerns communicated to the respective Management teams.

Other Key Initiatives and Process Improvements

The following key initiatives and process improvements implemented by GIAID during the financial year ended 31 December 2025 were briefed and shared with the BAC for notification:

(a) Newly established and enhanced Standard Operating Policies and Procedures, which were introduced to provide clear guidelines to govern whistleblowing practices across the Group.

(b) Establishment of the Anti-Bribery Management Systems ("ABMS") for DRB-HICOM by the IGU, which partly contributed to DRB-HICOM being awarded the ISO 37001:2016 ABMS Certification from SIRIM QAS International Sdn. Bhd. in May 2025. The achievement demonstrated the Company's continued commitment to ethical business practices and compliance with the Malaysian Anti-Corruption Commission ("MACC") Act, 2009, "Guidelines on Adequate Procedures", and alignment with global Anti-Bribery and Anti-Corruption ("ABAC") standards. Additionally, the following governance standards and compliance standards were also established:
    - Introduction to the ABAC Steering Committee Manual
    - Introduction to the Conflict-of-Interest Manual
    - Enhancement of Anti-Bribery and Anti-Corruption Management Systems Manual.

(c) Establishment of the GIAID Apprenticeship Programme ("GAP"), which was designed to develop internal auditing skills across the Group. The programme is opened to all employees within the Group who met the eligibility criteria and is aimed to equip participants from operating business units with theoretical and practical training in internal auditing skills. The objective of the apprenticeship programme is to strengthen internal control capabilities within the Group by imparting knowledge and providing training to participants, who will then enhance the system of internal controls at their respective operating companies with the knowledge they have gained.

Quality Management System

GIAID has continued to strengthen its internal audit processes by maintaining the ISO 9001:2015 Quality Management System and implementing the Quality Assurance and Improvement Programme process reviews as recommended under GIAS. This quality management system has been subjected to periodic in-house quality audits and external annual surveillance assessments by an independent certification body since 2005.

This Report on BAC was approved by the Board of Directors of the Company on 26 March 2026.

DIRECTORS' STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("the Board") of DRB-HICOM Berhad ("DRB-HICOM" or "the Company") is pleased to provide this Statement on Risk Management and Internal Control ("SORMIC"), which outlines the nature and scope of risk management and internal control systems established within the Company and its subsidiaries ("the Group") for the financial year under review.

This SORMIC is prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and is guided by the SORMIC 2025 Guidelines for Directors of Listed Companies (26 August 2025), which requires the board of a listed issuer to include in their Annual Report a "statement on the state of internal controls of the listed issuer as a group".

Additionally, DRB-HICOM has complied with the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") issued by the Securities Commission Malaysia, which requires the board of a listed issuer to establish and maintain a sound risk management framework and internal control system.

1.0 BOARD'S RESPONSIBILITIES

1.1 The Board affirms its commitment and responsibility in maintaining a sound and effective system of risk management and internal controls in safeguarding shareholders' interest and the Group's assets in the achievement of business objectives and ensuring compliance with applicable laws and regulations. This responsibility extends to risks arising from strategic, operational, financial, sustainability- and climate-related matters, as overseen through the Board's established governance framework.

1.2 The Board is responsible for determining the level of risk tolerance and ensuring that the key risk of the Group is reviewed and managed adequately by quarterly evaluation of the adequacy and effectiveness of the risk management and internal control system. These processes are put in place to uphold good corporate governance standards and support informed decision-making and to ensure effective interaction among the Board, Management, and internal and external auditors.

1.3 The Board's responsibility of monitoring the system of risk management and internal control is supported by the Board Risk and Sustainability Committee ("BRSC") and the Board Audit Committee ("BAC"), which are trusted with overseeing and evaluating the effectiveness of the Group's risk management and internal control systems. Nonetheless, the Board retains overall responsibility of the Group's risk management and internal control system.

1.4 Together, the BRSC and BAC were established to assist the Board in providing oversight, direction and counsel in assessing the effectiveness of the Group's internal control systems in mitigating risks as well as assessing whether they provide reasonable assurance that risks are managed within tolerable ranges. As part of its oversight, the BRSC considers whether appropriate skills, expertise and competencies are available, or may require further development, to effectively oversee strategies and management responses, to emerging risks and regulatory developments, including sustainability- and climate-related risks and opportunities.

The Group Risk Management and Sustainability Division ("GRMSD") and the Group Internal Audit and Integrity Division ("GIAID") have conducted reviews and testing of the Group's risk management framework and internal controls on behalf of the BRSC and BAC, which are then reported up to the Board. Each Board Committee's responsibilities and functions are defined in their respective Terms of Reference ("TOR") to ensure good business and regulatory governance.

1.5 The following are the key responsibilities performed by BRSC and BAC in discharging their fiduciary responsibilities:

a) BOARD RISK AND SUSTAINABILITY COMMITTEE ("BRSC")

The establishment of the BRSC reaffirms the Board's commitment to maintaining an effective and robust Enterprise Risk Management ("ERM") Framework that facilitates the formulation of proactive and effective policies to identify and manage all risks as well as opportunities that may impact the Group's ability to achieve its business objectives. This oversight includes sustainability- and climate-related risks and opportunities, which are managed through the Group's integrated governance and risk management processes and aligned with the Board's sustainability oversight. In discharging its responsibilities, the BRSC is assisted by the Management team through the Risk Management Committee ("RMC"), which reviews, deliberates, and endorses significant risks that may pose threats to the Group. The RMC oversees sustainability- and climate-related risks as part of the Group's risk registers, reviews risk appetite considerations and monitors the implementation of controls and mitigation plans prior to escalation to the BRSC.

(i) The duties and responsibilities of the BRSC are clearly defined in the BRSC's TOR, which is available for review and/or download on DRB-HICOM's website at https://www.drb-hicom.com/investors/corporate-governance/. The TOR establishes the BRSC's mandate over sustainability- and climate-related risk oversight within the Group's governance and ERM structures.

(ii) The BRSC is required to meet at least four times a year where the Group Managing Director ("GMD"), Group Chief Financial Officer ("GCFO"), and Chief Risk and Sustainability Office ("CRSO") shall be invited to attend the BRSC meetings, as and when required by the BRSC. These meetings enable the BRSC to receive regular updates on sustainability- and climate-related risks, risk appetite considerations, and implementation progress, informed by inputs from the RMC and the Sustainability Steering Committee ("SSC").

(iii) The BRSC may have access to such information and advice, both from within the Group and externally, as it deems appropriate at the cost of the Group. The BRSC may request other Directors, the Management, counsels, and consultants as applicable to participate in the BRSC meetings, as necessary, to carry out the BRSC's responsibilities.

(iv) All recommendations of the BRSC shall be submitted to the Board for consideration and approval.

(v) After each BRSC meeting, the Chairman of the BRSC shall present a report and any recommendations to the Board at the next Board meeting, with sufficient supporting information and background for the Board to make an informed decision.

b) BOARD AUDIT COMMITTEE ("BAC")

(i) The BAC is established to assist the Board in fulfilling its oversight responsibilities on the effectiveness of system of controls and governance, including determining that operational and financial controls, business ethics, and compliance are being properly managed and monitored within the Group in order to prioritise, empower, and protect the interests of shareholders.

(ii) The duties and responsibilities of the BAC are clearly defined in the BAC's TOR. The BAC's TOR with a complete list of authorities provided by the Board is available for review and/or download on DRB-HICOM's website at https://www.drb-hicom.com/investors/corporate-governance/.

(iii) The BAC shall meet at least four times a year where the GMD, Group Chief Operating Officers ("GCOOs"), GCFO, and Chief Internal Audit & Integrity Officer ("CIAIO") shall, by invitation, attend the meeting. Other Management members and stakeholders shall be invited to attend, as and when, required by the BAC.

(iv) The Board has empowered the BAC to investigate any activity within the scope of the BAC's TOR with full and unrestricted access to relevant information and documents; access to independent legal or other professional advice as necessary; and communicate directly with the external auditors, internal auditors and all employees of the Group.

(v) The BAC comprises solely of two Independent Non-Executive Directors ("INEDs") and one Senior INED, with none of the Directors holding the position as Chairman of the Board of Directors, thereby maintaining overall effectiveness and independence.

(vi) The internal audit function that supports the BAC is led by the CIAIO, who heads the GIAID. The CIAIO shall possess the requisite experience, professional standing, and authority to discharge his/her responsibilities effectively. The CIAIO shall also ensure that the GIAID is provided with adequate resources and granted unrestricted access to all relevant information necessary for the effective fulfilment of its roles and responsibilities. The personnel assigned to internal audit duties shall be equipped with the appropriate level of competency, experience, and resources to perform the function in an effective and reliable manner.

1.6 Considering the above, the Board is responsible to ensure that there is a proper risk management assurance process in place to assess, treat, monitor, and report significant risks that may impede the Group from achieving its goals and objectives. The Board acknowledges the importance of an effective internal control systems to safeguard shareholder investments, the Group's assets, and other stakeholders' interests, as well as ensuring that the Group continues to achieve its strategic objectives while complying with applicable laws and regulations.

1.7 The Board further recognises that the Group's internal control systems are designed and put in place to address material misstatements, losses, unforeseen circumstances, and fraud that may hinder the Group from achieving its objectives. The Board acknowledges that these risk management and internal control systems are designed to manage and mitigate, rather than eliminate risks and can only provide reasonable and not absolute assurance as to the effectiveness against risks that may impede the Group from achieving its business goals and objectives.

2.0 MANAGEMENT'S RESPONSIBILITIES

2.1 Management team is accountable to the Board for ensuring effective implementation of the Group's risk management and internal control systems. These risk management and internal control systems are designed to ensure the Group's operations are conducted efficiently and effectively, and in compliance with applicable regulations, while safeguarding its assets, reputation, and overall objectives. This accountability extends to sustainability- and climate-related risks and opportunities embedded within the Group's ERM processes and operational decision-making.

2.2 For systematic directives and decision-making, a management committee has been set up under the name of Group Management Committee ("GMC"), which is chaired by the GMD, and in the GMD's absence, the Group Chief Operating Officer and GCFO may be appointed to chair. Any Group Chief Officers and Head(s) of Department(s) may be appointed as a member or ex-officio, endorsed by the GMC.

2.3 The Management team is responsible for implementing risk management processes to assess, treat, monitor, and report risks and internal controls, as well as taking appropriate and timely actions to address identified risks. Additionally, the Management team has assured the Board that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects, based on the ERM Framework and internal control systems established and adopted by the Group. These processes are supported by internal engagements (as and when required), quarterly risk assessments and structured reporting cycles coordinated by the GRMSD, enabling timely identification, monitoring and escalation of sustainability- and climate-related risks and opportunities to the RMC, BRSC, and the Board.

3.0 KEY COMPONENTS OF INTERNAL CONTROL PROCESSES

3.1 The Group's internal control systems established by the Board comprise the following key components to provide effective governance and oversight:

3.1.1 POLICIES AND PROCEDURES

Written policies have been established to provide guidance to individuals and departments within the Group on behaviours, conduct and work processes for employees to adhere in executing their duties and obligations. Some policies are supported by procedures, which describe the steps undertaken to complete the process.

The Group and its subsidiaries have implemented several Internationally Accredited Management Systems ("IAMS") as its commitment to standardise management and operational processes and improve efficiency, as follows:

- ISO 9001:2015 – Quality Management System
- ISO 45001:2018 – Occupational Health & Safety Management System
- ISO 14001:2015 – Environmental Management System
- ISO 39001:2012 – Road Traffic Safety Management System

3.1.2 INTERNAL AUDIT

The GIAID is currently headed by the CIAIO, who reports functionally to the BAC and administratively to the GMD to maintain independence from the Management. The internal audit function under GIAID provides independent, objective assurance, compliance, and consulting services to add value to the Group's operations.

The internal audit function is provided with free and unrestricted access to documents and information of all Group companies (excluding companies governed under the Islamic Financial Services Act, 2013 or companies regulated under Bank Negara Malaysia). The GIAID's objective, authority, independence and scope of the internal audit activities, reporting structure, and responsibilities of the CIAIO have been defined in the Internal Audit Charter.

Areas selected for audit reviews are derived from the audit universe and is based on the Annual Audit Plan that was developed using risk-based assessment methodology, management feedback, historical analysis, external auditor's Report of Examination, special investigation cases, and risk management system. The Audit Plan is presented annually to the BAC for approval prior to its implementation. In addition to the planned audits, GIAID has undertaken investigations and ad-hoc reviews that were requested by the Management and/or the Board. GIAID has provided an independent assessment to the BAC, Management, and outside parties on the adequacy and effectiveness of governance, risk management, anti-corruption, whistleblowing, and control processes of the Group.

Results of the audit reviews, including the status of management action plans to address gaps identified in the governance processes, risk management process, and controls during the audit engagements, are reported to the BAC for deliberation.

Reasonableness review and validation on management action plans prepared by line management pursuant to the audit issues highlighted during audit reviews are conducted by the Corporate Management Office. This measure is intended to ensure that the recommended action plan(s) are robust and effective in addressing audit issues and concerns, and implementing improvements identified in the Internal Audit Report.

The GIAID's staff strength stood at 22 (total headcount includes Operations Audit, System Audit, Integrity and Governance Unit ("IGU"), Special Investigation and Quality and Assurance Audit) for the year ended 31 December 2025. During the financial year, all members had completed and affirmed their annual code of ethics declaration, thereby confirming that the function's independence has been upheld throughout the year, with no instances of impairment reported. Personnel of the internal audit function have been provided with professional development, training programmes, and/or knowledge sharing sessions to keep abreast of the latest trends and competencies to enhance effectiveness and quality of audit services to the Group.

The GIAID has continued with the adoption of ISO 9001:2015 Quality Management System and the Institute of Internal Auditors' Global Internal Audit Standards which became effective in January 2025, replacing the previous standards under the International Professional Practice Framework.

3.1.3 OTHER ELEMENTS OF INTERNAL CONTROL SYSTEM

A. Board Committees

In discharging its responsibilities effectively, the Board is supported by three Board Committees, namely the Board Nomination and Remuneration Committee ("BNRC"), the BRSC, and the BAC. The responsibilities of the BNRC, BRSC, and BAC are defined in the BNRC Report on pages 252-258, the BRSC Report on pages 259-260, and the BAC Report on pages 261-264 of this Integrated Annual Report.

B. Organisational Structure and Reporting Line

The Group has a formal organisational structure with clear reporting lines and responsibilities to ensure proper segregation of duties, assignment of authority, and accountability to meet the business strategies and objectives of the Group.

C. Delegation of Authority

The Group has documented the Limits of Authority ("LOA") and Management Delegated Authority ("MDA") to establish a structured framework for authority and accountability. The LOA defines authorisations for strategic, capital, and operational expenditures, while the MDA, as an extension of the LOA, ensures that the appropriate levels of authority are assigned to the Management for executing transactions and activities. The LOA and MDA are reviewed periodically, with updates and approvals by the respective Boards of operating companies as necessary, to reflect evolving business needs and address operational deficiencies.

D. Business Plans and Budgets

The Group formulates a business plan outlining key goals, strategies, and operational plans by the respective Heads of Departments/Companies on an annual basis and presents the plans to the Board for deliberation and approval. The Board will be updated on the Group's actual performance against budget during the meetings where quarterly financial results and operational performance are reviewed and deliberated.

E. Performance Review

The Group has established employees' authority and responsibilities, which are detailed out in Job Descriptions ("JD") that are used to monitor the employee's achievement of Key Performance Indicators ("KPI").

The performance framework serves as a guide for performance setting of employees at various levels within the organisation, covering categories, such as, Financials, Customers, Internal Business Process, and Organisation Learning and Growth.

F. Purpose Statement and Success Beliefs

The Management team has established a Purpose Statement and six Success Beliefs to guide and align employees towards achieving the Group's goals and objectives. The Purpose Statement and six Success Beliefs are available for review on DRB-HICOM's website at https://www.drb-hicom.com/about-us/our-purpose-statement-our-success-beliefs/.

G. Whistleblowing Policy

The Group has established its Whistleblowing Policy, in its commitment to providing an environment of integrity and in promoting a culture of honesty, ethical behaviour, and good corporate governance within DRB-HICOM and its subsidiary companies, including external stakeholders. A whistleblower may report and disclose any improper or unethical conduct without fear of retaliation. All complaints received are assessed, validated, and subsequently investigated to uncover authenticity of allegations. The CIAIO is responsible for reporting whistleblowing complaints and the outcome of investigations performed to the BAC.

The Whistleblowing Policy was last updated in February 2025 to reflect changes to the reporting matrix, whistleblower protection, responsibility for confidentiality, and management actions.

The whistleblowing mechanism and disclosure procedures can be publicly accessible on the Company's website at www.drb-hicom.com/whistleblowing-policy/. Reports can also be submitted via the Whistleblower Hotline at 1-800-88-2005 or through e-mail at whistleblowing@drb-hicom.com.

H. Related Party Transactions ("RPT")/Recurrent Related Party Transactions ("RRPT")

The Group has established Policies and Procedures on RPTs and RRPTs, to govern the process and provide a consistent approach to all RPTs and RRPTs situations after considering the requirements of the MMLR of Bursa Securities. The said policies provide guidance on transactions that have been entered in the ordinary course of business for revenue or trading in nature with a related party or parties.

The policies also prescribe the processes required to identify, evaluate, approve, monitor and report RPTs/RRPTs. In principle, the said Guideline sets forth the following:

- Database is maintained to capture the list of related parties and RPTs/RRPTs, which have been entered into.
- If a Director has interest, direct or indirect, in a related party transaction, he/she must abstain from Board deliberation and voting on the relevant resolution in respect of the RPTs/RRPTs.
- All RPTs will be reviewed by the BAC prior to submission for deliberation and approval by the Board. A summary of all RPTs and RRPTs will be reported to the BAC on a quarterly basis.

I. Ethics and Business Practice

In July 2025, DRB-HICOM successfully established and approved its Conflict of Interest Manual, a significant milestone in strengthening governance and managing conflict of interest and external commitments among employees.

J. Anti-Bribery and Anti-Corruption ("ABAC")

In line with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018), which took effect on 1 June 2020, DRB-HICOM has implemented robust measures to mitigate corporate liability risks. The Board approved the latest revision of the ABAC Policy on 22 August 2024, strengthening governance through clearer leadership roles, the establishment of the IGU, the formation of the ABAC Steering Committee, and the enhancement of the policy statement.

The ABAC function, comprising IGU and the Investigation Unit under GIAID, oversees integrity matters, complaint management, detection, verification, and governance. IGU reports directly to the BAC and administratively to the GMD and CIAIO, while the Investigation Unit reports to the BAC through the CIAIO. The ABAC Steering Committee, consisting of CIAIO, CRSO, Chief Human Capital Officer, Chief Communication Officer, Chief Corporate Management Officer and Chief Procurement Officer, drives ABAC programmes based on T.R.U.S.T. Principles: Top-Level Commitment, Risk Assessment, Undertaking Control Measures, Systematic Review, Monitoring and Enforcement, and Training and Communication.

To strengthen risk management, corruption risk assessments ("CRA") are conducted across divisions, supported by comprehensive policies and procedures, such as, the Gift and Business Courtesy Policy, Whistleblowing Policy, Code of Ethics, Group Procurement Policy, Vendor Code of Conduct, Anti-Bribery and Anti-Corruption Management System ("ABACMS") Manual, Conflict of Interest Manual, and CRA Guidelines.

Financial year 2025 marked major milestones, where DRB-HICOM has obtained its ISO 37001:2016 Anti-Bribery Management Systems ("ABMS") Certification (handed over on 6 May 2025), introduced an ABAC Handbook, implemented a new CRA approach, and launched a new ABAC slogan, "*Built on Trust, Driven by Integrity*" along with the implementation of an ABAC online training module. Governance enhancements included revisions to the ABACMS Manual, CRA Guidelines, and ABACMS Audit Procedures, as well as the approval of the Conflict of Interest Manual and ABAC Steering Committee Manual. These achievements underscore DRB-HICOM's commitment to ethical governance and proactive measures in combating bribery and corruption.

3.1.4 ENTERPRISE RISK MANAGEMENT ASSURANCE

Risk Oversight Structure

DRB-HICOM is aligned with the Three Lines of Defence framework as a fundamental structure for ensuring effective oversight of risk management and internal control processes. This model clearly delineates roles, responsibilities, and accountability across the organisation, strengthening governance and ensuring risks are managed in a coordinated and transparent manner. The lines of responsibility for each function are outlined as follows:

Board of Directors

The Board is the Group's ultimate governing body with overall risk oversight responsibility, including defining the appropriate governance structure and risk appetite.

BRSC

BAC

Business Sectors and Operating Companies

First Line of Defence

i. Manage the key risks associated with business and investments; all material and significant risks shall be identified, assessed, analysed, treated, monitored and reported in accordance with the Group Risk Management Policy

ii. Nomination of Risk Coordinators across the Group's companies to advise, assist and facilitate risk owners and the GRMSD on assessing the Company's risks and day-to-day management of risk activities or programmes

GRMSD

Second Line of Defence

i. Facilitate and monitor the effective implementation of risk management practices across the Group

ii. Key practices include periodic risk review and assessment within the operating companies and corporate division to facilitate the management of all risks including identification of existing and emerging risks and concerns that may impact the Group's business

iii. Enhance the awareness of risk management practices and embed a risk culture throughout the Group

GIAID

Third Line of Defence

i. Provide independent assurance on the adequacy and integrity of the internal control systems across the Group

ii. Evaluate and improve the effectiveness of internal controls, standard operating procedures, compliance and governance processes through a structured and systematic approach; the reports and status of corrective actions taken, based on audit recommendations, are submitted on a regular basis to the BAC for its deliberation and approval

Additionally, the Group adopts a structured risk governance model to ensure clear oversight, accountability, and a strong risk-aware culture across the organisation. This structure facilitates effective risk information flow and enables consistent monitoring of risk management activities at all levels. Through this integrated approach, risk oversight is embedded throughout the organisation, supporting informed decision-making and strengthening the Group's overall resilience.

A detailed governance structure is illustrated in the diagram below.

RISK MANAGEMENT GOVERNANCE STRUCTURE

BOARD OF DIRECTORS

The Board is the Group's ultimate governing body with overall risk oversight responsibility, including defining the appropriate governance structure and risk appetite.

BOARD RISK AND SUSTAINABILITY COMMITTEE

The BRSC, acting on behalf of the Board of Directors, has a broad mandate to ensure the effective oversight, implementation and compliance of the objectives outlined in the Group Risk Management Policy and Group Sustainability Policy. Any matters or decisions made within the BRSC's purview will be escalated to the Board for its notation and approval.

BRSC MEMBERS

Three Non-Executive Directors make up the membership of the BRSC, supported by six permanent invitees.

PERMANENT INVITEES

- Group Managing Director ("GMD")
- Group Chief Operating Officers ("GCOOs") and Head of Business Sectors
- Group Chief Financial Officer ("GCFO")
- Chief Risk and Sustainability Officer ("CRSO")
- Chief Internal Audit and Integrity Officer ("CIAIO")
- Chief Legal Officer and Company Secretary

RISK MANAGEMENT COMMITTEE

i. Creating a risk awareness culture and building the necessary knowledge for risk management at every business and management level
ii. Ensuring the effectiveness and adequacy of the Group risk management system, framework, policy, the risks and controls associated with Group operations and compliance with applicable laws and regulations
iii. Submitting reports on key risk exposures to the BRSC on a quarterly basis
iv. Ensuring regular reporting to the Board or Board Committee meetings via the CRSO to keep the BRSC informed about significant changes impacting the Group's risk profiles

Members
- GMD (Committee Chairperson)
- GCOOs and Head of Business Sectors
- GCFO
- Heads of relevant divisions as invitees

SUSTAINABILITY STEERING COMMITTEE

i. Creating a sustainability-aware culture and fostering sustainability-related knowledge sharing at every level of management
ii. Ensuring the effective implementation of sustainability initiatives across the Group's operations, and compliance with sustainability requirements imposed by Bursa Securities

Members
- GCFO (Committee Chairperson)
- CRSO
- Chief Communication Officer
- Chief Human Capital Officer
- Chief Corporate Management Officer
- Chief Procurement Officer

The adequacy and effectiveness of the Group's risk management and internal control systems are overseen by the Board, supported by the BRSC chaired by an Independent Director. The BRSC plays a central role in ensuring that the Group's ERM Framework remains robust and aligned with its defined risk appetite.

To uphold strong governance practices, the BRSC meets quarterly to review the Group's consolidated risk report, covering key risks, emerging threats, and the status of Key Risk Indicators ("KRIs") thresholds. DRB-HICOM employs a range of early warning KRIs, including those designed to detect emerging risks and climate-related exposures. These KRIs provide forward-looking signals that enable timely intervention and strengthen overall risk preparedness.

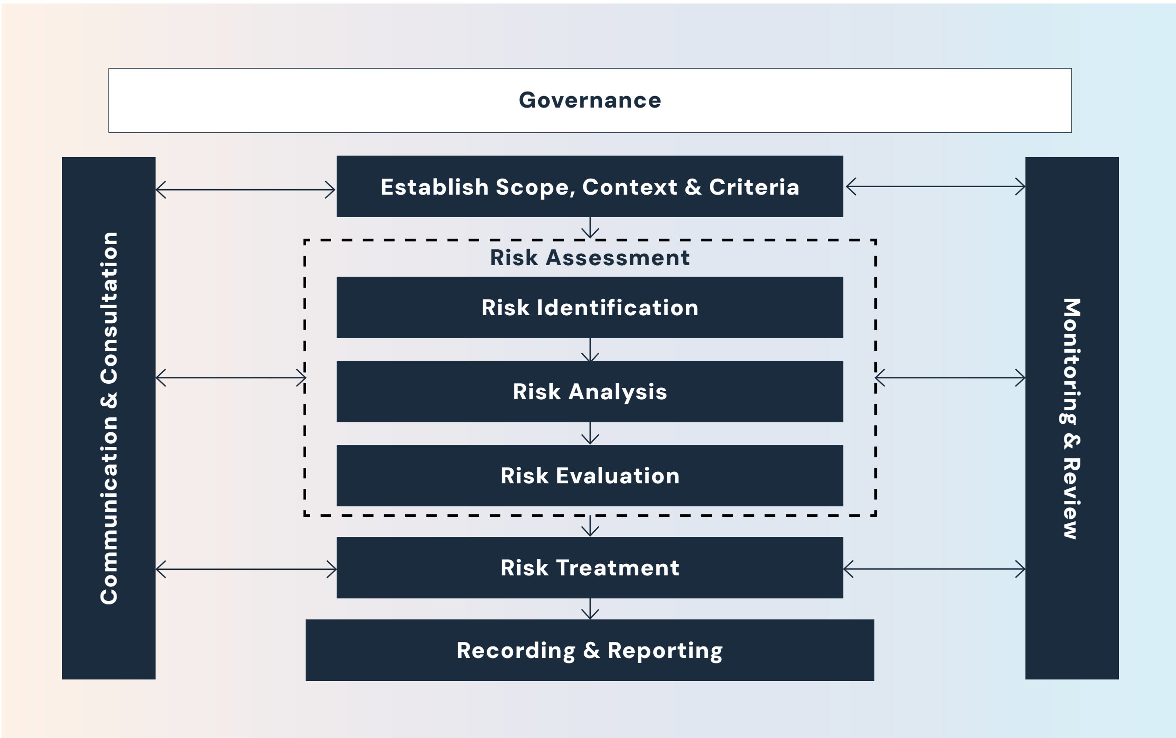
Insights generated from the early warning KRIs, together with the outcomes of the residual risk assessments, are incorporated into the quarterly risk reporting process and tabled to the Board or the BRSC. During these deliberations, the Committee focuses on principal risk areas, evaluating whether mitigation strategies remain effective, timely, and aligned with the Group's strategic objectives. The BRSC also monitors risk trends and emerging issues to ensure that proactive measures are implemented to address potential vulnerabilities. The outcomes of the meeting are formally minuted and communicated to the relevant stakeholders to ensure accountability, transparency, and timely follow-through on agreed actions.

In addition, the RMC and the SSC support the BRSC by providing management-level oversight, strengthening the Group's overall governance, and ensuring coordinated risk and sustainability management across all business units.

ERM Framework

In response to the dynamic economic and business landscape, the Group continually evaluates and strengthens its risk management strategies, methodologies, and practices. This includes aligning with the ISO 31000:2018 Risk Management principles to ensure a systematic and structured approach in identifying, assessing, monitoring, and mitigating significant risk exposures. The Group also emphasises proactive risk scanning, integration with strategic planning, and consistent oversight to enhance organisational resilience.

DRB-HICOM's ERM Framework is outlined below:



The GRMSD has implemented the ERM Framework across all operating companies and corporate divisions, excluding immaterial joint ventures and associates, enabling systematic risk identification, assessment, treatment, monitoring and reporting. The GRMSD also conducts quarterly risk validation sessions with operating companies to ensure the accuracy, completeness and robustness of risk information, including the status of mitigation measures and the effectiveness of controls.

The Group identifies, assesses, and manages risks that may present both threats and opportunities affecting the achievement of the Group's strategic, business, and operational objectives. To ensure a structured and consistent approach, these risks are systematically categorised into established risk clusters. This clustering methodology provides a holistic view of the Group's overall risk landscape, enhances comparability across operating companies, and enables more effective monitoring, management, and strategic decision-making.

The established risk clusters are outlined below.

Risk Cluster	Description
Strategic Risk	Risks arising from ineffective strategic decisions or failure to adapt to changing environments, which may impact long-term objectives and organisational sustainability. Exposure to uncertainty arising from long-term or short-term policy decisions based on the current strategy of the operating unit.
Financial Risk	Risks associated with financial loss, mismanagement of resources, or incurring excessive liabilities that affect the organisation's financial stability. Exposure related to the loss of monetary resources or incurring unacceptable liabilities.
Market and Business Risk	Risks arising from external factors, such as, market exposure uncertainty due to competition, economic fluctuations, and/or policy changes in fiscal policy. These risks are external to the operating unit and beyond the organisation's control.
Operational Risk	Risks related to day-to-day operations, including process inefficiencies, resource constraints, or disruptions caused by environmental or technical factors. Exposure to uncertainty arising from daily tactical business activities, which may be linked to operational inefficiencies and potential disruptions caused by climate change incidents.
Organisational Risk	Risks exposure arising from internal poor communication systems, insurance issues, and risks associated with organisational factors, such as structure, governance, communication, culture, and talent management.
Information Risk	Risks related to data integrity, IT system reliability, and information security, including potential breaches or inaccuracies in reporting. Exposure to uncertainty arising from loss or inaccuracy of data, IT systems, or reported information.
Reputational Risk	Risks that may damage the organisation's reputation or public trust, including negative publicity, stakeholder dissatisfaction, or ethical concerns. Exposure to uncertainty related to the organisation's brand or image.
Regulatory Risk	Risks arising from non-compliance with laws, regulations, or internal policies, including fraud, corruption, and unethical practices. Exposure to uncertainty arising from non-compliance with regulations and policies, as well as risks related to financial abuse, personal gratification, and dishonest acts intended to unlawfully benefit certain parties.

Risk assessment is undertaken with consideration of both external and internal developments to identify, analyse, and evaluate potential impacts and opportunities arising from key risks. To ensure consistency in risk identification across the Group, DRB-HICOM maintains a centralised risk library that serves as a reference point for common and emerging risks, including sustainability and climate-related risks such as transition risks, physical risks, supply chain disruptions, and occupational safety and health matters. This repository supports a structured and standardised approach to Group-wide risk assessment. Sustainability- and climate-related risks and opportunities are integrated into the Group's ERM Framework and assessed using the same structures, criteria and escalation mechanisms applied to enterprise-wide risks.

The Group maintains annual communication and engagement with stakeholders to identify emerging risks that may impede the achievement of corporate objectives or affect the realisation of new business opportunities. Inputs from these engagements inform the identification and assessment of sustainability- and climate-related risks and opportunities alongside other strategic and operational risks. Risk management and internal control system are subject to ongoing review and enhancement, ensuring they remain responsive to evolving risk profiles and changes in business conditions while staying aligned with the Group's overall business strategy.

GRMSD promotes a strong risk management culture by fostering awareness, ownership, and accountability at all levels. Each assigned risk, control, and action plan owner provides quarterly assurance to the RMC and BRSC on the status of reviews, as well as the adequacy and effectiveness of action plans implemented to mitigate key material risks across the Group.

To support this, the Group has implemented an ERM solution that serves as an electronic risk repository, enabling timely updates and reviews of risks across all operating companies and corporate divisions. The system captures sustainability- and climate-related risks within the same digital platform used for enterprise risks, supporting consistent monitoring, prioritisation and escalation. The embedded risk assurance module facilitates quarterly sign-offs, confirming the effectiveness of mitigation actions in addressing the Group's key risks.

GRMSD also conducts engagement sessions for risk coordinators as and when required to share the latest ERM practices and developments. These interactive sessions allow coordinators to discuss challenges, exchange insights, and provide feedback, thereby enhancing their risk management expertise, fostering a consistent and proactive risk culture across the Group.

Assurance on the adequacy and effectiveness of the risk management and internal control system is provided through quarterly management reviews, oversight by the BRSC, and independent assessments by the Internal Audit function. The Board receives quarterly reports from the Management and the BRSC on the effectiveness of the Group's risk management and internal control systems.

3.1.5 INFORMATION AND COMMUNICATION

Pertinent information, such as the Group's achievements, changes in corporate and organisational structure, and updates to policies and procedures, is identified, captured, and communicated in a timely manner. These updates are disseminated to relevant stakeholders through emails, online messages, meetings, documented policies, reminders, and memoranda, ensuring employees remain informed and aligned with organisational objectives. Additionally, the Management actively communicates with employees regarding developments in integrity and governance matters to employees.

4.0 ASSURANCE TO THE BOARD

The GMD and the GCFO, to the best of their knowledge, have confirmed that the risk management and internal control systems operated adequately and effectively during the financial year.

5.0 STATE OF ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

5.1 For the financial year under review up to the date of this SORMIC, based on the assurance provided by the GMD and the GCFO, the Board is satisfied that the internal controls and risk management systems remain adequate and effective. The systems provide reasonable assurance in safeguarding shareholders' investments, the Group's assets, and other stakeholders' interests, while mitigating key risks affecting DRB-HICOM's business operations.

5.2 The Board is satisfied that there are sound and sufficient controls in place that have resulted in no major internal control weaknesses being identified during the financial year that would result in material misstatements, financial losses or uncertainties requiring disclosure in this Integrated Annual Report.

6.0 REVIEW OF THIS STATEMENT

6.1 The external auditors have reviewed this SORMIC in accordance with the Audit and Assurance Practice Guide ("AAPG") 3, issued by the Malaysian Institute of Accountants ("MIA"), which provides guidance for auditors in reviewing the SORMIC included in the Annual Report. The external auditors reported to the Board that, based on their review, nothing has come to their attention that causes them to believe that this Statement intended for inclusion in the Integrated Annual Report, in all material respects:

a) Has not been prepared in accordance with the disclosures required by Section 7 of the SORMIC 2025 Guidelines for Directors of Listed Companies, or

b) Is factually inaccurate.

(This SORMIC was approved by the Board on 26 March 2026.)

STATEMENT OF DIRECTORS' RESPONSIBILITY

in respect of the preparation of the Financial Statements
for the financial year ended 31 December 2025

The Directors are required by the Companies Act 2016 ("the Act") to ensure that the financial statements prepared for each financial year give a true and fair view of the financial position of the Group and of the Company as at the end of the financial year and of the financial performance and cash flows of the Group and of the Company for the year then ended. As required by the Act and the Listing Requirements of Bursa Securities, the financial statements have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the provisions of the Act in Malaysia.

The Directors consider that in preparing the financial statements for the financial year ended 31 December 2025 set out on pages 285-472, the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and ensured that all applicable approved accounting standards have been followed.

The Directors have ensured that the accounting records kept by the Group and the Company have been properly kept in accordance with the provisions of the Act, which disclose with reasonable accuracy the financial position of the Group and of the Company.

This Statement is made on behalf of the Board in accordance with a resolution of the Directors dated 26 March 2026.

FINANCIAL ACCOUNTABILITY

7

> "The future is always beginning now."
>
> — Mark Strand
> Poet and Essayist

DIRECTORS' REPORT

The Directors of DRB-HICOM Berhad are pleased to submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is an investment holding company with investments in the mobility (automotive, aerospace and defence), postal, banking, services and properties segments. There was no significant change in the nature of these activities during the financial year.

Information relating to the subsidiaries, joint ventures and associates are described in Note 3 to the financial statements.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	588,755	181,638
Attributable to:		
Owners of the Company	397,973	144,513
Holders of Perpetual Sukuk	37,125	37,125
Non-controlling interests	153,657	-
	588,755	181,638

DIVIDENDS

Dividends paid by the Company since 31 December 2024 were as follows:

	RM'000
In respect of the financial year ended 31 December 2024:	
Final dividend of 2.5 sen per share, approved on 28 March 2025, paid on 30 April 2025	48,331

Subsequent to the financial year end, on 26 March 2026, the Directors approved a final dividend of 2.5 sen per share amounting to RM48,330,926 in respect of the financial year ended 31 December 2025. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are disclosed in the financial statements.

SIGNIFICANT AND SUBSEQUENT EVENTS

The details of the significant and subsequent events are as disclosed in Note 54 to the financial statements.

DIRECTORS OF THE COMPANY

The Directors of the Company who have held office since the beginning of the financial year to the date of this report are:

Tan Sri Wan Zulkiflee bin Wan Ariffin	(Chairman)
Tan Sri Syed Faisal Albar bin Syed A.R Albar	(Group Managing Director)
Dato' Ibrahim bin Taib	
Uji Sherina binti Abdullah	
Tang Saw Hua	
Dato' Adnan Hisham bin Pawanteh	(Appointed on 1 December 2025)
Datuk Idris bin Abdullah @ Das Murthy	(Resigned on 9 June 2025)

Pursuant to a relief order dated 9 February 2026 issued by the Companies Commission of Malaysia, this Directors' Report does not disclose the names of Directors of subsidiaries as required under Section 253(2) of the Companies Act 2016. These names are available in the respective subsidiaries' Directors' Reports or financial statements. Such information is deemed incorporated herein by reference and forms part of this report.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, none of the Directors of the Company in office at the end of the financial year held any interests in the shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Directors' Report
(Continued)

DIRECTORS' BENEFITS (CONTINUED)

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 December 2025 are as follows:

	Group RM'000	Company RM'000
Non-executive Directors		
- fees	1,350	1,113
- allowances and other benefits	1,112	986
Executive Director		
- salaries, bonuses, fees, allowances and other benefits	3,897	-
- defined contribution plan	604	-
Total	6,963	2,099

The estimated value of benefits-in-kind received by Directors of the Group amounted to RM170,400 during the financial year.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

INDEMNITY AND INSURANCE COSTS

The Directors' and Officers' liability insurance is in place to protect the Directors and Officers of the Group for any liability incurred in the discharge of their duties provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. During the financial year, the amount of insurance premium paid for the insurance effected for the Directors and the officers of the Group is RM577,600.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

(a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for expected credit losses and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for expected credit losses; and

(b) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records of the Group and of the Company in the ordinary course of business had been written down to an amount which they might be expected so to realise.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONTINUED)

At the date of this report, the Directors are not aware of any circumstances:

(a) which would render the amounts written off for bad debts or the amounts of the allowance for expected credit losses made in the financial statements of the Group and of the Company inadequate to any substantial extent;

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

At the date of this report, there does not exist:

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

In the opinion of the Directors, other than as disclosed in the financial statements:

(a) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to substantially affect the results of the operations of the Group or of the Company for the financial year in which this report is made.

HOLDING COMPANY

The Directors regard Etika Strategi Sdn. Bhd., a company incorporated in Malaysia, as the holding company.

Directors' Report
(Continued)

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company are as follows:

	Group RM'000	Company RM'000
KPMG PLT	7,396	901
Member firms of KPMG International Limited	24	-
Local affiliates of KPMG PLT	1,221	30
Others	168	-
	8,809	931

AUDITORS

The auditors, KPMG PLT, have expressed their willingness to accept re-appointment.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 26 March 2026.

TAN SRI WAN ZULKIFLEE BIN WAN ARIFFIN
Chairman

TAN SRI SYED FAISAL ALBAR BIN SYED A.R ALBAR
Group Managing Director

STATEMENTS OF COMPREHENSIVE INCOME

For The Financial Year Ended 31 December 2025

		Group		Company	
		2025	**2024**	**2025**	**2024**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue	4	**17,309,528**	16,190,764	**313,053**	383,612
Cost of sales	5	**(14,488,264)**	(13,810,034)	**-**	-
Gross profit		**2,821,264**	2,380,730	**313,053**	383,612
Other income					
- Negative goodwill arising from acquisition of a subsidiary	48(i)(d)	**334,415**	-	**-**	-
- Others		**425,737**	399,858	**295,382**	279,433
Selling and distribution costs		**(273,889)**	(218,744)	**-**	-
Administrative expenses		**(1,879,558)**	(1,881,908)	**(91,378)**	(85,065)
Other expenses		**(517,344)**	(169,873)	**(150,632)**	(315,892)
Finance costs	9	**(514,469)**	(519,472)	**(181,767)**	(182,477)
Share of results of joint ventures (net of tax)	16(d)	**115,745**	97,777	**-**	-
Share of results of associates (net of tax)	17(d)	**141,982**	159,022	**-**	-
Profit before taxation	6	**653,883**	247,390	**184,658**	79,611
Taxation	10	**(65,128)**	(141,618)	**(3,020)**	(2,339)
Net profit for the financial year		**588,755**	105,772	**181,638**	77,272
Other comprehensive income/(loss)					
<u>Items that will not be reclassified subsequently to profit or loss:</u>					
Net (loss)/gain on fair value changes of equity instrument: financial assets at fair value through other comprehensive income (FVOCI)		**(9,193)**	16,634	**66,224**	(61,817)
Net gain/(loss) on valuation of post-employment benefit obligations		**39**	(104)	**-**	-
Fair value adjustment on transfer of property, plant and equipment to investment properties		**54,477**	4,969	**-**	-
Share of other comprehensive loss of a joint venture		**-**	(511)	**-**	-
<u>Items that will be reclassified subsequently to profit or loss:</u>					
Currency translation differences of foreign operations		**1,592**	(580)	**-**	-
Share of other comprehensive loss of a joint venture		**(700)**	-	**-**	-
Sub-total carried forward		**46,215**	20,408	**66,224**	(61,817)

Statements of Comprehensive Income
For The Financial Year Ended 31 December 2025 (Continued)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Other comprehensive income/(loss) (continued)					
Sub-total brought forward		**46,215**	20,408	**66,224**	(61,817)
Items that will be reclassified subsequently to profit or loss: (continued)					
Net gain on fair value changes of investment securities: financial assets at FVOCI		**76,955**	5,895	**-**	-
Reclassification adjustments:					
Transfer of realised gain on fair value changes of investment securities: financial assets at FVOCI		**(28,180)**	(14,339)	**-**	-
Other comprehensive income/(loss) for the financial year (net of tax)		**94,990**	11,964	**66,224**	(61,817)
Total comprehensive income for the financial year		**683,745**	117,736	**247,862**	15,455
Net profit for the financial year attributable to:					
Owners of the Company		**397,973**	22,554	**144,513**	40,045
Holders of Perpetual Sukuk		**37,125**	37,227	**37,125**	37,227
Non-controlling interests	15(g)	**153,657**	45,991	**-**	-
		588,755	105,772	**181,638**	77,272
Total comprehensive income for the financial year attributable to:					
Owners of the Company		**479,693**	33,762	**210,737**	(21,772)
Holders of Perpetual Sukuk		**37,125**	37,227	**37,125**	37,227
Non-controlling interests	15(g)	**166,927**	46,747	**-**	-
		683,745	117,736	**247,862**	15,455
Basic and diluted earnings per share (sen)	12	**20.59**	1.17		

The notes set out on pages 303 to 472 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 31 December 2025

	Note	2025 RM'000	2024 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	**5,240,236**	5,280,457
Investment properties	14	**662,494**	467,042
Inventories	24	**2,214,011**	2,091,400
Joint ventures	16	**594,920**	562,024
Associates	17	**938,854**	1,015,820
Intangible assets	18	**1,222,798**	1,626,029
Deferred tax assets	19	**461,356**	363,178
Investment securities: financial assets at fair value through profit or loss	20(a)		
- Non-banking		**6,379**	6,379
Investment securities: financial assets at fair value through other comprehensive income	20(b)		
- Banking		**6,348,706**	6,524,060
- Non-banking		**78,510**	75,586
Trade and other receivables	25	**1,394,246**	1,563,789
Other assets	21	**2,617**	2,618
Banking-related assets			
- Financing of customers	22	**29,363,919**	25,151,758
- Statutory deposit with Bank Negara Malaysia	23	**365,000**	680,000
		48,894,046	45,410,140
CURRENT ASSETS			
Inventories	24	**2,420,313**	2,026,256
Trade and other receivables	25	**2,911,487**	2,335,111
Tax recoverable		**55,009**	54,393
Investment securities: financial assets at fair value through profit or loss	20(a)		
- Banking		**82,368**	90,075
- Non-banking		**29,385**	5,698
Investment securities: financial assets at fair value through other comprehensive income	20(b)		
- Banking		**1,548,994**	970,725
Banking-related assets			
- Cash and short-term funds	26	**3,090,359**	2,618,766
- Financing of customers	22	**3,982,947**	6,592,937
Short-term deposits	27	**328,218**	990,046
Cash and bank balances	28	**2,410,884**	1,143,880
Derivative assets	29	**15,175**	25,376
		16,875,139	16,853,263
Assets held for sale	30	**144**	495
		16,875,283	16,853,758
TOTAL ASSETS		**65,769,329**	62,263,898

Consolidated Statement of Financial Position
As At 31 December 2025 (Continued)

	Note	2025 RM'000	2024 RM'000
EQUITY AND LIABILITIES			
EQUITY			
Share capital	31	**1,740,302**	1,740,302
Reserves		**6,066,938**	5,662,340
Equity attributable to Owners of the Company		**7,807,240**	7,402,642
Perpetual Sukuk	32	**905,289**	905,252
Redeemable Convertible Cumulative Preference Shares	33	**669,266**	669,266
Non-controlling interests	15(g)	**1,442,380**	1,310,044
TOTAL EQUITY		**10,824,175**	10,287,204
NON-CURRENT LIABILITIES			
Deferred income	34	**66,592**	2,669
Trade and other payables	42	**81,463**	80,155
Provisions for liabilities and charges	35	**194,558**	197,829
Post-employment benefit obligations	36	**2,468**	3,021
Deferred tax liabilities	19	**253,891**	231,693
Redeemable Convertible Cumulative Preference Shares	33	**866,989**	816,622
Long-term borrowings	37	**6,713,155**	6,211,120
Lease liabilities	38.1(a)	**209,982**	219,085
Banking-related liabilities			
- Deposits from customers and investment accounts	39	**335,179**	732,197
- Deposits and placements of banks and other financial institutions	40	**333,457**	388,152
- Recourse obligation on financing sold to Cagamas	41	**954,402**	553,336
		10,012,136	9,435,879
CURRENT LIABILITIES			
Deferred income	34	**7,295**	4,149
Trade and other payables	42	**4,516,884**	4,244,867
Provisions for liabilities and charges	35	**268,931**	198,723
Post-employment benefit obligations	36	**742**	337
Bank borrowings			
- Bank overdrafts	43(i)	**911**	930
- Others	43(ii)	**1,635,224**	1,067,743
Lease liabilities	38.1(a)	**91,653**	85,497
Tax payable		**11,595**	25,164
Banking-related liabilities			
- Deposits from customers and investment accounts	39	**37,475,957**	35,405,903
- Deposits and placements of banks and other financial institutions	40	**633,488**	450,569
- Bills and acceptances payable	44	**11,375**	6,027
- Recourse obligation on financing sold to Cagamas	41	**251,538**	1,030,966
Derivative liabilities	29	**27,425**	19,940
		44,933,018	42,540,815
TOTAL LIABILITIES		**54,945,154**	51,976,694
TOTAL EQUITY AND LIABILITIES		**65,769,329**	62,263,898

The notes set out on pages 303 to 472 form an integral part of the financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

As At 31 December 2025

	Note	2025 RM'000	2024 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	**-**	-
Investment properties	14	**126,223**	126,223
Subsidiaries	15	**8,120,517**	7,919,330
Joint ventures	16	**103,444**	103,444
Associates	17	**57,800**	57,800
Trade and other receivables	25	**651,197**	609,935
		9,059,181	8,816,732
CURRENT ASSETS			
Trade and other receivables	25	**725,502**	401,761
Tax recoverable		**1,044**	838
Short-term deposits	27	**317,802**	417,510
Cash and bank balances	28	**154,125**	122,622
		1,198,473	942,731
TOTAL ASSETS		**10,257,654**	9,759,463
EQUITY AND LIABILITIES			
EQUITY			
Share capital	31	**1,740,302**	1,740,302
Reserves		**4,390,968**	4,228,562
Equity attributable to Owners of the Company		**6,131,270**	5,968,864
Perpetual Sukuk	32(a)	**556,534**	556,497
TOTAL EQUITY		**6,687,804**	6,525,361
NON-CURRENT LIABILITIES			
Long-term borrowings	37	**3,035,503**	2,830,227
Deferred tax liabilities	19	**13,492**	12,079
		3,048,995	2,842,306
CURRENT LIABILITIES			
Trade and other payables	42	**54,255**	74,145
Bank borrowings - Others	43	**466,600**	317,651
		520,855	391,796
TOTAL LIABILITIES		**3,569,850**	3,234,102
TOTAL EQUITY AND LIABILITIES		**10,257,654**	9,759,463

The notes set out on pages 303 to 472 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 December 2025

			Non-distributable									
	Note	Share Capital (Note 31) RM'000	Merger Reserve (Note 45) RM'000	Currency Translation Differences RM'000	Fair Value through Other Comprehensive Income (FVOCI) Reserve RM'000	Other Reserves (Note 46) RM'000	Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk (Note 32) RM'000	Redeemable Convertible Cumulative Preference Shares (RCCPS) (Note 33) RM'000	Non-controlling interests (Note 15(g)) RM'000	Total RM'000
At 1 January 2025		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
Net profit for the financial year		-	-	-	-	-	397,973	397,973	37,125	-	153,657	588,755
Other comprehensive (loss)/income for the financial year, net of tax		-	-	(686)	28,584	53,822	-	81,720	-	-	13,270	94,990
Total comprehensive (loss)/income for the financial year		-	-	(686)	28,584	53,822	397,973	479,693	37,125	-	166,927	683,745
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition		-	-	-	7,560	-	(7,560)	-	-	-	-	-
Transfer of a subsidiary's reserves		-	-	-	-	(16,704)	16,704	-	-	-	-	-
Effect of liquidation of a joint venture	49(i)(a)	-	-	-	-	(2,400)	2,400	-	-	-	-	-
Acquisition of additional interest in a subsidiary	48(i)(b)	-	-	-	-	-	2,641	2,641	-	-	(22,641)	(20,000)
Sub-total carried forward		1,740,302	1,214,085	4,971	42,749	309,935	4,572,934	7,884,976	942,377	669,266	1,454,330	10,950,949

Consolidated Statement of Changes In Equity

For The Financial Year Ended 31 December 2025 (Continued)

	Note	Share Capital (Note 31) RM'000	Non-distributable Merger Reserve (Note 45) RM'000	Non-distributable Currency Translation Differences RM'000	Non-distributable FVOCI Reserve RM'000	Non-distributable Other Reserves (Note 46) RM'000	Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk (Note 32) RM'000	RCCPS (Note 33) RM'000	Non-controlling interests (Note 15(g)) RM'000	Total RM'000
Sub-total brought forward		1,740,302	1,214,085	4,971	42,749	309,935	4,572,934	7,884,976	942,377	669,266	1,454,330	10,950,949
Share subscription in a subsidiary by non-controlling interest shareholder		-	-	-	-	-	-	-	-	-	12,740	12,740
Transactions with Owners												
Distribution to holders of Perpetual Sukuk		-	-	-	-	-	(15,515)	(15,515)	(37,088)	-	(6,649)	(59,252)
Dividend paid to RCCPS holder		-	-	-	-	-	(12,090)	(12,090)	-	-	(12,041)	(24,131)
Dividend paid to non-controlling interest		-	-	-	-	-	-	-	-	-	(6,000)	(6,000)
Dividend paid to non-controlling interest prior to acquisition of remaining equity interest		-	-	-	-	-	(1,800)	(1,800)	-	-	-	(1,800)
Final dividend in respect of financial year ended 31 December 2024	11	-	-	-	-	-	(48,331)	(48,331)	-	-	-	(48,331)
At 31 December 2025		1,740,302	1,214,085	4,971	42,749	309,935	4,495,198	7,807,240	905,289	669,266	1,442,380	10,824,175

Consolidated Statement of Changes In Equity

For The Financial Year Ended 31 December 2025 (Continued)

	Note	Share Capital (Note 31) RM'000	Non-distributable: Merger Reserve (Note 45) RM'000	Non-distributable: Currency Translation Differences RM'000	Non-distributable: FVOCI Reserve RM'000	Non-distributable: Other Reserves (Note 46) RM'000	Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk (Note 32) RM'000	RCCPS (Note 33) RM'000	Non-controlling interests (Note 15(g)) RM'000	Total RM'000
At 1 January 2024		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's reserves		-	-	-	1,220	(5,760)	4,540	-	-	-	-	-
Effect of disposal of a subsidiary	49(iii)(a)	-	-	-	-	(1,224)	1,224	-	-	-	(322)	(322)
Sub-total carried forward		1,740,302	1,214,085	5,657	6,605	275,217	4,394,495	7,636,361	942,423	669,266	1,486,443	10,734,493

Consolidated Statement of Changes In Equity
For The Financial Year Ended 31 December 2025 (Continued)

	Note	Share Capital (Note 31) RM'000	Non-distributable: Merger Reserve (Note 45) RM'000	Non-distributable: Currency Translation Differences RM'000	Non-distributable: FVOCI Reserve RM'000	Non-distributable: Other Reserves (Note 46) RM'000	Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk (Note 32) RM'000	RCCPS (Note 33) RM'000	Non-controlling interests (Note 15(g)) RM'000	Total RM'000
Sub-total brought forward		1,740,302	1,214,085	5,657	6,605	275,217	4,394,495	7,636,361	942,423	669,266	1,486,443	10,734,493
<u>Transactions 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	11	-	-	-	-	-	(48,331)	(48,331)	-	-	-	(48,331)
At 31 December 2024		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

The notes set out on pages 303 to 472 form an integral part of the financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 December 2025

	Note		Non-distributable			Distributable			
	Note	Share Capital (Note 31) RM'000	Merger Reserve (Note 45) RM'000	FVOCI Reserve RM'000	Other Reserve (Note 46) RM'000	Retained Earnings (Note 47) RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk (Note 32) RM'000	Total RM'000
At 1 January 2025		**1,740,302**	**2,318,321**	**(141,689)**	**(8,267)**	**2,060,197**	**5,968,864**	**556,497**	**6,525,361**
Net profit for the financial year		**-**	**-**	**-**	**-**	**144,513**	**144,513**	**37,125**	**181,638**
Other comprehensive income for the financial year, net of tax		**-**	**-**	**66,224**	**-**	**-**	**66,224**	**-**	**66,224**
Total comprehensive income for the financial year		**-**	**-**	**66,224**	**-**	**144,513**	**210,737**	**37,125**	**247,862**
Transfer of fair value changes upon redemption of RCCPS		**-**	**-**	**110**	**-**	**(110)**	**-**	**-**	**-**
<u>Transactions with Owners</u>									
Distribution to holders of Perpetual Sukuk		**-**	**-**	**-**	**-**	**-**	**-**	**(37,088)**	**(37,088)**
Final dividend in respect of financial year ended 31 December 2024	11	**-**	**-**	**-**	**-**	**(48,331)**	**(48,331)**	**-**	**(48,331)**
At 31 December 2025		**1,740,302**	**2,318,321**	**(75,355)**	**(8,267)**	**2,156,269**	**6,131,270**	**556,534**	**6,687,804**
At 1 January 2024		1,740,302	2,318,321	(82,388)	(8,267)	2,070,999	6,038,967	556,441	6,595,408
Net profit for the financial year		-	-	-	-	40,045	40,045	37,227	77,272
Other comprehensive loss for the financial year, net of tax		-	-	(61,817)	-	-	(61,817)	-	(61,817)
Total comprehensive (loss)/income for the financial year		-	-	(61,817)	-	40,045	(21,772)	37,227	15,455
Transfer of fair value changes upon redemption of RCCPS		-	-	2,516	-	(2,516)	-	-	-
<u>Transactions with Owners</u>									
Distribution to holders of Perpetual Sukuk		-	-	-	-	-	-	(37,171)	(37,171)
Final dividend in respect of financial year ended 31 December 2023	11	-	-	-	-	(48,331)	(48,331)	-	(48,331)
At 31 December 2024		1,740,302	2,318,321	(141,689)	(8,267)	2,060,197	5,968,864	556,497	6,525,361

The notes set out on pages 303 to 472 form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For The Financial Year Ended 31 December 2025

	Group		Company	
	2025	2024	**2025**	2024
	RM'000	RM'000	**RM'000**	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit for the financial year	**588,755**	105,772	**181,638**	77,272
Adjustments for non-cash items:				
Allowance for expected credit losses of financing of customers	**82,694**	158,354	**-**	-
Allowance/(write-back of allowance) for expected credit losses of trade and other receivables	**19,514**	(777)	**121,565**	245,000
Amortisation of intangible assets	**566,139**	480,928	**-**	-
Depreciation of property, plant and equipment	**674,334**	709,620	**-**	-
Finance costs	**514,469**	519,472	**181,767**	182,477
Impairment loss/(reversal of impairment loss) of (net):				
- intangible assets	**236,649**	-	**-**	-
- investment in subsidiaries	**-**	-	**(248,953)**	(184,110)
- investment securities: financial assets at FVOCI	**2**	23	**-**	-
- investment securities: financial assets at amortised cost	**-**	44,760	**-**	-
- other assets, and cash and short-term funds	**(366)**	286	**-**	-
- property, plant and equipment	**115,579**	(5,028)	**-**	-
Loss on fair value adjustments of investment securities: financial assets at fair value through profit or loss (FVTPL)	**59,474**	21,018	**-**	-
Loss on liquidation of a joint venture	**292**	-	**-**	-
Marked to market loss/(gain) on derivatives (net)	**17,686**	(12,239)	**-**	-
Provision for liabilities and charges	**91,016**	4,901	**-**	-
Taxation	**65,128**	141,618	**3,020**	2,339
Unrealised foreign exchange differences (net)	**7,399**	(8,514)	**-**	1
Write-down of inventories	**68,123**	131,172	**-**	-
Write-off of:				
- intangible assets	**265**	4,505	**-**	-
- property, plant and equipment	**469**	1,867	**-**	-
Sub-total carried forward	**3,107,621**	2,297,738	**239,037**	322,979

Statements of Cash Flows
For The Financial Year Ended 31 December 2025 (Continued)

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Sub-total brought forward	**3,107,621**	2,297,738	**239,037**	322,979
Amortisation of deferred income	**(393)**	(462)	**-**	-
Dividend income:				
- subsidiaries	**-**	-	**(84,752)**	(174,423)
- a joint venture	**-**	-	**(13,589)**	(17,994)
- an associate	**-**	-	**(142,120)**	(123,420)
- other investments	**(3,907)**	(3,397)	**-**	-
(Gain)/loss from disposals of:				
- a subsidiary	**-**	(87)	**-**	-
- investment securities: FVTPL	**(193)**	(21)	**-**	-
- investment securities: FVOCI	**(28,180)**	(14,262)	**-**	-
- property, plant and equipment	**(3,473)**	955	**-**	-
Gain on fair value adjustments of investment properties	**(23,838)**	(13,434)	**-**	-
Gain on partial redemption of RCCPS	**-**	-	**(110)**	(2,516)
Gain on lease modification	**(157)**	(1,751)	**-**	-
Gain on termination of leases	**(947)**	(1,822)	**-**	-
Interest income on:				
- short-term deposits	**(69,210)**	(60,216)	**(17,054)**	(21,718)
- subsidiaries	**-**	-	**(57,849)**	(52,838)
- a joint venture	**(864)**	(1,198)	**(637)**	(816)
Negative goodwill arising from acquisition of a subsidiary	**(334,415)**	-	**-**	-
Share of results of joint ventures (net of tax)	**(115,745)**	(97,777)	**-**	-
Share of results of associates (net of tax)	**(141,982)**	(159,022)	**-**	-
Cash inflow/(outflow) before working capital changes	**2,384,317**	1,945,244	**(77,074)**	(70,746)
Amount owing with subsidiaries	**-**	-	**(225,632)**	188,749
Amount owing with joint ventures	**137,671**	127,094	**(800)**	(11,681)
Amount owing with associates	**(24,901)**	51,870	**(59)**	(4)
Amount owing with related parties	**37,718**	(436,756)	**-**	-
Inventories	**81,285**	299,120	**-**	-
Trade and other receivables	**(80,431)**	284,702	**(9,789)**	1,355
Trade and other payables	**(153,178)**	(186,848)	**1,036**	(2,332)
Financing of customers	**(1,684,865)**	(4,133,598)	**-**	-
Sub-total carried forward	**697,616**	(2,049,172)	**(312,318)**	105,341

Statements of Cash Flows

For The Financial Year Ended 31 December 2025 (Continued)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Sub-total brought forward	**697,616**	(2,049,172)	**(312,318)**	105,341
Statutory deposit with Bank Negara Malaysia	**315,000**	(96,191)	**-**	-
Deposits from customers and investment accounts	**1,673,036**	3,569,881	**-**	-
Deposits and placements of banks and other financial institutions	**128,224**	309,087	**-**	-
Bills and acceptances payable	**5,348**	(7,746)	**-**	-
Net cash inflow/(outflow) from operations	**2,819,224**	1,725,859	**(312,318)**	105,341
Interest received	**68,637**	57,129	**19,282**	18,897
Government grant received	**3,970**	14,605	**-**	-
Finance costs paid	**(138,662)**	(143,666)	**-**	-
Taxation paid	**(163,625)**	(181,845)	**(1,813)**	(3,828)
Provision for liabilities and charges paid	**(88,316)**	(70,379)	**-**	-
Post-employment benefit obligations paid	**(370)**	(403)	**-**	-
Net cash inflow/(outflow) from operating activities	**2,500,858**	1,401,300	**(294,849)**	120,410
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of additional shares in a subsidiary	**(20,000)**	-	**-**	-
Acquisitions of investment securities by:				
- a banking subsidiary	**(5,292,379)**	(8,365,791)	**-**	-
- non-banking	**(25,900)**	(6,000)	**-**	-
Additional investment in an associate	**-**	(2,295)	**-**	-
Dividends received from:				
- subsidiaries	**-**	-	**81,752**	164,423
- joint ventures	**66,678**	160,247	**15,792**	28,233
- associates	**209,611**	163,130	**142,120**	123,420
- other investments	**3,907**	3,397	**-**	-
Interest received	**1,524**	3,175	**-**	-
Investment in a new joint venture	**-**	(10,020)	**-**	-
Movement in fixed deposits placement with maturity profile of more than three months	**112,100**	(107,186)	**115,000**	(116,801)
Sub-total carried forward	**(4,944,459)**	(8,161,343)	**354,664**	199,275

Statements of Cash Flows
For The Financial Year Ended 31 December 2025 (Continued)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES (CONTINUED)					
Sub-total brought forward		**(4,944,459)**	(8,161,343)	**354,664**	199,275
Net cash outflow from acquisition of a subsidiary	48(i)(d) & (iii)(f)	**(386,604)**	(1,760)	**-**	-
Net cash outflow from disposal of a subsidiary	49(iii)(a)	**-**	(459)	**-**	-
Net proceeds from redemption of:					
- fund investments		**2,350**	9,000	**-**	-
Partial redemption of RCCPS by a subsidiary		**-**	-	**150,000**	50,000
Proceeds from disposal of:					
- investment securities by a banking subsidiary		**4,879,433**	7,375,024	**-**	-
- property, plant and equipment		**6,961**	6,883	**-**	-
Purchases of property, plant and equipment/investment properties/intangible assets		**(1,021,113)**	(749,281)	**-**	-
Share subscription in a subsidiary by a non-controlling interest shareholder		**12,740**	-	**-**	-
Net cash (outflow)/inflow from investing activities		**(1,450,692)**	(1,521,936)	**504,664**	249,275
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid to shareholders		**(48,331)**	(48,331)	**(48,331)**	(48,331)
Dividends paid to former non-controlling interests		**(1,800)**	-	**-**	-
Dividends paid to non-controlling interests		**(6,000)**	(629)	**-**	-
Dividend paid to RCCPS holder		**(24,131)**	(338,811)	**-**	-
Distribution paid to holders of Perpetual Sukuk		**(59,252)**	(59,518)	**(37,088)**	(37,171)
Finance costs paid		**(276,917)**	(273,675)	**(175,814)**	(176,106)
Loans to subsidiaries (net of repayment)		**-**	-	**(259,910)**	21,855
Repayment of loan from a joint venture		**10,200**	2,000	**4,600**	1,000
Movement in bank balances and fixed deposits held as security for bank borrowings		**34,043**	(963)	**(7,726)**	3,501
Proceeds from bank borrowings		**4,467,395**	3,525,414	**835,387**	426,500
Proceed from recourse obligation on financing sold to Cagamas		**852,711**	752,233	**-**	-
Sub-total carried forward		**4,947,918**	3,557,720	**311,118**	191,248

Statements of Cash Flows

For The Financial Year Ended 31 December 2025 (Continued)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES (CONTINUED)					
Sub-total brought forward		**4,947,918**	3,557,720	**311,118**	191,248
Repayment of borrowings		**(3,428,213)**	(3,505,241)	**(481,864)**	(632,455)
Repayment of principal portion of lease liabilities		**(104,356)**	(104,974)	**-**	-
Repayment of principal for recourse obligation on financing sold to Cagamas		**(1,230,495)**	(229,586)	**-**	-
Net cash inflow/(outflow) from financing activities		**184,854**	(282,081)	**(170,746)**	(441,207)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**1,235,020**	(402,717)	**39,069**	(71,522)
Effects of foreign currency translation		**(11,353)**	(3,018)	**-**	(1)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**4,244,578**	4,650,313	**305,054**	376,577
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR		**5,468,245**	4,244,578	**344,123**	305,054

(a) Cash and cash equivalents at end of the financial year comprise the following:

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Short-term deposits		**328,218**	990,046	**317,802**	417,510
Cash and bank balances		**2,410,884**	1,143,880	**154,125**	122,622
Cash and short-term funds of a banking subsidiary		**3,090,359**	2,618,766	**-**	-
Bank overdrafts		**(911)**	(930)	**-**	-
		5,828,550	4,751,762	**471,927**	540,132
Less: Bank balances and fixed deposits held as security for bank borrowings	(c)	**(257,946)**	(291,989)	**(42,775)**	(35,049)
Less: Fixed deposits with maturity profile of more than three months	27(b)	**(87,929)**	(200,029)	**(85,029)**	(200,029)
Less: Bank balance in respect of Automotive Development Fund		**(4,395)**	(3,737)	**-**	-
Less: Collections held by a postal subsidiary on behalf of third parties		**(10,035)**	(11,429)	**-**	-
		5,468,245	4,244,578	**344,123**	305,054

Statements of Cash Flows
For The Financial Year Ended 31 December 2025 (Continued)

(b) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statement of cash flows as cash flows from financing activities.

	Current and non-current borrowings	Current and non-current lease liabilities	Recourse obligation on financing sold to Cagamas	Total
	RM'000	RM'000	RM'000	RM'000
Group				
2025				
At 1 January 2025	7,279,793	304,582	1,584,302	9,168,677
Acquisition of a subsidiary	-	5,273	-	5,273
Net changes from financing cash flows:				
Changes in bank overdrafts	(19)	-	-	(19)
Finance costs paid	-	(14,059)	(53,778)	(67,837)
Payments for the principal portion of lease liabilities	-	(104,356)	-	(104,356)
Proceeds from bank borrowings	4,467,395	-	-	4,467,395
Proceed from recourse obligation on financing sold to Cagamas	-	-	852,711	852,711
Repayment of bank borrowings	(3,428,213)	-	-	(3,428,213)
Repayment of principal for recourse obligation on financing sold to Cagamas	-	-	(1,230,495)	(1,230,495)
Total net changes from financing cash flows	1,039,163	(118,415)	(431,562)	489,186
Other changes:				
Currency translation differences	(156)	(63)	-	(219)
Finance costs payable	-	16,739	53,200	69,939
Lease modification	-	20,759	-	20,759
New hire purchases/leases	40,131	84,020	-	124,151
Termination	-	(11,260)	-	(11,260)
Capitalisation of borrowing costs	(17,192)	-	-	(17,192)
Unwinding of discounts	7,551	-	-	7,551
Total other changes	30,334	110,195	53,200	193,729
At 31 December 2025	8,349,290	301,635	1,205,940	9,856,865

(b) Reconciliation of liabilities arising from financing activities: (continued)

	Current and non-current borrowings	Current and non-current lease liabilities	Recourse obligation on financing sold to Cagamas	Total
	RM'000	RM'000	RM'000	RM'000
Group				
2024				
At 1 January 2024	7,199,579	286,463	1,058,745	8,544,787
Disposal of a subsidiary	(220)	-	-	(220)
Net changes from financing cash flows:				
Changes in bank overdrafts	57	-	-	57
Finance costs paid	-	(14,213)	(42,711)	(56,924)
Payments for the principal portion of lease liabilities	-	(104,974)	-	(104,974)
Proceeds from bank borrowings	3,525,414	-	-	3,525,414
Proceed from recourse obligation on financing sold to Cagamas	-	-	752,233	752,233
Repayment of bank borrowings	(3,505,241)	-	-	(3,505,241)
Repayment of principal for recourse obligation on financing sold to Cagamas	-	-	(229,586)	(229,586)
Total net changes from financing cash flows	20,230	(119,187)	479,936	380,979
Other changes:				
Currency translation differences	(873)	-	-	(873)
Finance costs payable	-	16,869	45,621	62,490
Lease modification	-	34,596	-	34,596
New hire purchases/leases	54,592	102,457	-	157,049
Termination	-	(16,616)	-	(16,616)
Unwinding of discounts	6,485	-	-	6,485
Total other changes	60,204	137,306	45,621	243,131
At 31 December 2024	7,279,793	304,582	1,584,302	9,168,677

Statements of Cash Flows

For The Financial Year Ended 31 December 2025 (Continued)

(b) Reconciliation of liabilities arising from financing activities: (continued)

	Current and non-current borrowings	Amount due to subsidiaries	Total
	RM'000	RM'000	RM'000
Company			
2025			
At 1 January 2025	**3,147,878**	**28,259**	**3,176,137**
Net changes from financing cash flows:			
Proceeds from bank borrowings	**835,387**	**-**	**835,387**
Repayment of bank borrowings	**(481,864)**	**-**	**(481,864)**
Repayment of loans to subsidiaries	**-**	**(20,500)**	**(20,500)**
Finance costs paid	**-**	**(898)**	**(898)**
Total net changes from financing cash flows	**353,523**	**(21,398)**	**332,125**
Other changes:			
Finance costs payable	**-**	**1,202**	**1,202**
Unwinding of discounts	**702**	**-**	**702**
Total other changes	**702**	**1,202**	**1,904**
At 31 December 2025	**3,502,103**	**8,063**	**3,510,166**
2024			
At 1 January 2024	3,350,178	36,297	3,386,475
Net changes from financing cash flows:			
Proceeds from bank borrowings	426,500	-	426,500
Repayment of bank borrowings	(632,455)	-	(632,455)
Repayment of loans to subsidiaries	-	(3,017)	(3,017)
Finance costs paid	-	(6,537)	(6,537)
Total net changes from financing cash flows	(205,955)	(9,554)	(215,509)
Other changes:			
Finance costs payable	-	1,516	1,516
Unwinding of discounts	3,655	-	3,655
Total other changes	3,655	1,516	5,171
At 31 December 2024	3,147,878	28,259	3,176,137

(c) As at the reporting date, certain fixed deposits with licensed banks and bank balances of the Group and of the Company of RM257,946,000 (2024: RM291,989,000) and RM42,775,000 (2024: RM35,049,000), respectively, are held as security for bank borrowings as disclosed in Notes 37 and 43 to the financial statements.

The notes set out on pages 303 to 472 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
- 31 December 2025

1 CORPORATE INFORMATION

The Company is an investment holding company with investments in the mobility (automotive, aerospace and defence), postal, banking, services and properties segments. There was no significant change in the nature of these activities during the financial year.

The principal activities of the subsidiaries, joint ventures and associates are described in Note 3.

The Directors regard Etika Strategi Sdn. Bhd., a company incorporated in Malaysia, as the holding company.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The address of the registered office and principal place of business of the Company is Level 5, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia.

2 ACCOUNTING POLICIES

2.1 Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company comply with the provisions of the Companies Act 2016, MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and the IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

(b) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia (RM), which is the Group's and the Company's functional currency. All the financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

2 ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

(c) Basis of measurement

The financial statements of the Group and of the Company are prepared based on the historical cost except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Investment properties	Fair value
Derivatives financial instruments	Fair value
Debts and equity securities at FVTPL	Fair value
Debts and equity securities at FVOCI	Fair value
Net defined benefit liabilities	Present value of the defined benefit obligations less fair value of plan assets, if any

(d) Use of estimates and judgements

The preparation of financial statements in conformity with MFRS Accounting Standards in Malaysia requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements other than as disclosed in Note 53.

2 ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and effects arising from adoption of amendments to MFRS Accounting Standards

The amendments to published standards as issued by the Malaysian Accounting Standards Board (MASB) that are effective for the current financial year are as follows:

• Amendments to MFRS 121	Lack of exchangeability

The above amendments to MFRS Accounting Standards do not have material impact on the financial statements of the Group and of the Company in the current year.

2.3 Impact of new MASB pronouncements

The Group and the Company have not adopted the following published standards, where applicable.

<u>Amendments to MFRS Accounting Standards effective beginning on or after 1 January 2026</u>

• Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity
• Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments
• Annual Improvements to MFRS Accounting Standards - Volume 11	

<u>New and Amendments to MFRS Accounting Standards effective beginning on or after 1 January 2027</u>

• MFRS 18	Presentation and Disclosure in Financial Statements
• MFRS 19	Subsidiaries without Public Accountability: Disclosures
• Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency

<u>Amendments to MFRS Accounting Standards effective beginning on or after a date yet to be confirmed</u>

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

The adoption of the above new and amendments to MFRS Accounting Standards are not expected to have material impact on the financial statements of the Group and of the Company in the year of initial application.

3 COMPANIES IN THE GROUP

The principal activities of the companies in the Group and the effective equity interests of the Group as at 31 December 2025 therein are shown below:

Name of company	Effective equity interest		Principal activities	Financial year end
	2025 %	**2024 %**		
SUBSIDIARIES				
Subsidiaries of DRB-HICOM Berhad:				
HICOM Holdings Berhad (“HHB”)	**100.00**	100.00	Investment holding	31 December
PROTON Holdings Berhad (“PROTON”)	**50.10**	50.10	Investment holding	31 December
Media City Ventures Sdn. Bhd.	**100.00**	100.00	Investment holding	31 December
CTRM Holdings Sdn. Bhd. *(formerly known as Composites Technology Research Malaysia Sdn. Bhd.)*	**100.00**	100.00	Investment holding and development and production of aircraft composites components	31 December
DRB-HICOM Northern Gateway Sdn. Bhd.	**100.00**	100.00	Investment holding	31 December
DRB-HICOM Auto Solutions Sdn. Bhd.	**100.00**	100.00	Vehicle importation, logistics, vehicle pre-delivery inspection, and yard management related services	31 December
DRB-HICOM Defence Technologies Sdn. Bhd.	**100.00**	100.00	Manufacturing, assembly, supply, maintenance, marketing, refurbishment or retrofitting of military and commercial vehicles, equipment and spare parts	31 December
HICOM University College Sdn. Bhd.	**100.00**	100.00	Higher educational and vocational training programme	31 December

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	Effective equity interest 2024 %	Principal activities	Financial year end
	SUBSIDIARIES (CONTINUED)				
	Subsidiaries of DRB-HICOM Berhad: (continued)				
	PUSPAKOM Sdn. Bhd. ("PUSPAKOM")	**100.00**	100.00	Inspection of commercial vehicles for roadworthiness and the inspection of other vehicles	31 December
	Bank Muamalat Malaysia Berhad ("Bank Muamalat")	**70.00**	70.00	Islamic banking business and related financial services	31 December
@	Pos Malaysia Berhad ("Pos Malaysia")	**53.50**	53.50	Provision of postal and related services	31 December
	DRB-HICOM Geely Sdn. Bhd.	**50.10**	50.10	Investment holding	31 December
	Gadek (Malaysia) Berhad *(Under members' voluntary liquidation)*	**100.00**	100.00	Dormant	31 December
	Subsidiaries of HHB:				
	Automotive Corporation Holdings Sdn. Bhd.	**100.00**	100.00	Investment holding	31 December
	USF-HICOM Holdings Sdn. Bhd.	**100.00**	100.00	Investment holding	31 December
	AHTV Ventures Sdn. Bhd.	**100.00**	100.00	Investment holding	31 December
	Edaran Otomobil Nasional Berhad ("EON")	**100.00**	100.00	Investment holding, retailer of motor vehicles and related parts and servicing of motor vehicles, wholesale and retail of used motor vehicles	31 December

Notes To The Financial Statements
- 31 December 2025

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	2024 %	Principal activities	Financial year end
	SUBSIDIARIES (CONTINUED)				
	Subsidiaries of HHB: (continued)				
	HICOM Engineering Sdn. Bhd.	**100.00**	100.00	Investment holding, management and engineering services, manufacturing, sales and trading for automotive and non-automotive industry	31 December
	Glenmarie Development (Pahang) Sdn. Bhd.	**100.00**	100.00	Building and leasing of property	31 December
	HICOM Berhad	**100.00**	100.00	Management of projects, rental of properties and investment holding	31 December
	HICOM Petro-Pipes Sdn. Bhd.	**100.00**	100.00	Rental of property	31 December
	Proton City Development Corporation Sdn. Bhd.	**100.00**	100.00	Property development	31 December
$	Scott & English (Malaysia) Sdn. Bhd.	**100.00**	70.00	Rental of properties	31 December
	Glenmarie Puchong Sdn. Bhd.	**100.00**	100.00	Dormant	31 December
	HICOM Polymers Industry Sdn. Bhd. *(Under members' voluntary liquidation)*	**100.00**	100.00	Dormant	31 December
	Subsidiary of Gadek (Malaysia) Berhad:				
	Uni.Asia Capital Sdn. Bhd. *(Under members' voluntary liquidation)*	**51.00**	51.00	Dormant	31 December

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	2024 %	Principal activities	Financial year end
	SUBSIDIARIES (CONTINUED)				
	Subsidiaries of PROTON:				
	Proton Marketing Sdn. Bhd.	**50.10**	50.10	Investment holding	31 December
	Perusahaan Otomobil Nasional Sdn. Bhd.	**50.10**	50.10	Manufacturing, assembly and sale of motor vehicles and related products	31 December
$	Proton Capital Sdn. Bhd.	**50.10**	-	Dormant	31 December
	Subsidiaries of Proton Marketing Sdn. Bhd.:				
	Proton Edar Sdn. Bhd.	**50.10**	50.10	Sale of motor vehicles, related spare parts and accessories	31 December
* g	Proton Motors (Thailand) Company Limited	**50.10**	50.10	Importation and distribution of motor vehicles and related spare parts	31 December
	Proton Parts Centre Sdn. Bhd.	**50.10**	50.10	Trading of motor vehicle components, spare parts and accessories	31 December
* e	PROTON Motor Parsian Company (Ltd.)	**49.60**	49.60	Dormant	31 December
	Subsidiaries of Proton Edar Sdn. Bhd.:				
	Proton Global Services Sdn. Bhd.	**50.10**	50.10	Marketing of consumers' products and services	31 December
* d	PT Proton Edar Indonesia	**50.10**	50.10	Sale of motor vehicles, related spare parts and accessories	31 December
	ACO Tech Sdn. Bhd.	**30.06**	30.06	Sale of parts and accessories for motor vehicles and wireless telecommunications services	31 December

Notes To The Financial Statements
– 31 December 2025

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	2024 %	Principal activities	Financial year end
	SUBSIDIARIES (CONTINUED)				
	Subsidiaries of Perusahaan Otomobil Nasional Sdn. Bhd.:				
	Automotive Conversion Engineering Sdn. Bhd.	**50.10**	50.10	Conversion and modification of motor vehicles and distribution of car accessories	31 December
	PONSB Capital Berhad	**50.10**	50.10	Special purpose vehicle for funding	31 December
	Proton Tanjung Malim Sdn. Bhd.	**50.10**	50.10	Assembly of motor vehicles and related products	31 December
	PROTON New Energy Technology Sdn. Bhd.	**50.10**	50.10	Manufacturing of new energy vehicles and its components	31 December
$	Proton International Corporation Sdn. Bhd.	**50.10**	-	Dormant	31 December
* b	Proton Automobiles (China) Limited	**50.10**	50.10	Dormant	31 December
	Subsidiaries of ACO Tech Sdn. Bhd.:				
* f	ACO Tech (Hubei) Co. Ltd.	**30.06**	30.06	Sales of Internet-of-Things (“IoT”)-related technical services	31 December
* g	ACOTech (Thailand) Co., Ltd.	**30.06**	30.06	Dormant	31 December
	Subsidiary of Media City Ventures Sdn. Bhd.:				
	Media City Holdings Sdn. Bhd.	**100.00**	100.00	Investment holding	31 December

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest		Principal activities	Financial year end
		2025 %	**2024 %**		
	SUBSIDIARIES (CONTINUED)				
	Subsidiary of Media City Holdings Sdn. Bhd.:				
	Media City Development Sdn. Bhd.	**100.00**	100.00	Construction, operation and maintenance of infrastructure and broadcast system	31 December
	Subsidiaries of CTRM Holdings Sdn. Bhd.:				
	CTRM Aero Composites Sdn. Bhd.	**100.00**	100.00	Manufacturing of aerospace and non-aerospace composite components	31 December
	CTRM CE Sdn. Bhd. *(formerly known as CTRM Composites Engineering Sdn. Bhd.)*	**100.00**	100.00	Design and manufacturing of non-aerospace composite components	31 December
	CTRM TestLab Sdn. Bhd. *(formerly known as CTRM Testing Laboratory Sdn. Bhd.)*	**100.00**	100.00	Composites laboratory testing services	31 December
$ *	CTRM AeroSystems Sdn. Bhd. *(formerly known as Spirit AeroSystems Malaysia Sdn. Bhd.)*	**100.00**	-	Production of advanced technology aerostructures and aerosystems and ancillary services	31 December
	Aerotech Design Malaysia Sdn. Bhd.	**100.00**	100.00	Dormant	31 December
	Subsidiary of DRB-HICOM Northern Gateway Sdn. Bhd.:				
	Northern Gateway Infrastructure Sdn. Bhd.	**100.00**	100.00	Design, construction, development and provision of asset management services	31 December

Notes To The Financial Statements
- 31 December 2025

3 COMPANIES IN THE GROUP (CONTINUED)

Name of company	Effective equity interest 2025 %	2024 %	Principal activities	Financial year end
SUBSIDIARIES (CONTINUED)				
Subsidiaries of DRB-HICOM Defence Technologies Sdn. Bhd.:				
DEFTECH Aviation Sdn. Bhd.	**100.00**	100.00	Aircraft composites repair, engineering and maintenance services	31 December
Defence Services Sdn. Bhd.	**100.00**	100.00	Specialised defence engineering works including refurbishment, upgrading of armoured vehicles and supply of spare parts	31 December
DEFTECH Unmanned Systems Sdn. Bhd.	**100.00**	100.00	Design, research and development, production and marketing of unmanned aircraft systems	31 December
DEFTECH Systems Integration Sdn. Bhd.	**100.00**	100.00	Dormant	31 December
Subsidiaries of PUSPAKOM:				
Puspakom Teknik Sdn. Bhd.	**100.00**	100.00	Management of billboards, rental space and agent for insurance products	31 December
PSB Allied Services Sdn. Bhd. *(formerly known as Flora Areana Sdn. Bhd.)*	**100.00**	100.00	Agent for insurance products	31 December
Subsidiaries of Bank Muamalat:				
Muamalat Invest Sdn. Bhd.	**70.00**	70.00	Provision of Islamic fund management services	31 December
Muamalat Venture Sdn. Bhd.	**70.00**	70.00	Islamic venture capital	31 December

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	2024 %	Principal activities	Financial year end
	SUBSIDIARIES (CONTINUED)				
	Subsidiaries of Bank Muamalat: (continued)				
	Muamalat Nominees (Asing) Sdn. Bhd.	**70.00**	70.00	Dormant	31 December
	Muamalat Nominees (Tempatan) Sdn. Bhd.	**70.00**	70.00	Dormant	31 December
	Subsidiaries of Pos Malaysia:				
	Pos Malaysia & Services Holdings Berhad	**53.50**	53.50	Investment holding	31 December
	Datapos (M) Sdn. Bhd.	**53.50**	53.50	Printing and insertion of documents for mailing services	31 December
	Pos Ar-Rahnu Sdn. Bhd.	**53.50**	53.50	Ar-Rahnu (Islamic pawn broking)	31 December
	Pos Aviation Sdn. Bhd.	**53.50**	53.50	Provision of ground handling, in-flight catering, cargo handling, warehousing space and supply chain management including custom forwarding agent services	31 December
	Pos Digicert Sdn. Bhd.	**53.50**	53.50	Licensed digital certification authority	31 December
	Pos Shop Sdn. Bhd.	**53.50**	53.50	Retail business	31 December
$	PSH Express Sdn. Bhd.	**53.50**	53.50	Air courier services and fulfilment business	31 December
	Effivation Sdn. Bhd.	**53.50**	53.50	Property investment	31 December
	PMB Properties Sdn. Bhd.	**53.50**	53.50	Property investment	31 December
	PSH Properties Sdn. Bhd.	**53.50**	53.50	Property investment	31 December
	Posmen Sdn. Bhd.	**53.50**	53.50	Dormant	31 December

3 COMPANIES IN THE GROUP (CONTINUED)

Name of company	Effective equity interest 2025 %	Effective equity interest 2024 %	Principal activities	Financial year end
SUBSIDIARIES (CONTINUED)				
Subsidiaries of Pos Malaysia: (continued)				
Poslaju (M) Sdn. Bhd.	**53.50**	53.50	Dormant	31 December
Subsidiary of Pos Malaysia & Services Holdings Berhad:				
Prima Pegun Sdn. Bhd.	**53.50**	53.50	Dormant	31 December
Subsidiary company of Pos Shop Sdn. Bhd.:				
Prestige Future Sdn. Bhd.	**53.50**	53.50	Consultation and agent marketing services	31 December
Subsidiary of PSH Properties Sdn. Bhd.:				
Real Riviera Sdn. Bhd.	**53.50**	53.50	Property investment	31 December
Subsidiaries of Pos Aviation Sdn. Bhd.:				
Pos Logistics Berhad	**53.50**	53.50	Provision of total logistics services and inventory solutions	31 December
Pos Aviation Engineering Services Sdn. Bhd.	**27.29**	27.29	Provision of aircraft maintenance and engineering services	31 December
Subsidiaries of Pos Logistics Berhad:				
Diperdana Kontena Sdn. Bhd.	**53.50**	53.50	Property investment	31 December
Kaypi Southern Terminal Sdn. Bhd.	**53.50**	53.50	Property investment	31 December

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	Effective equity interest 2024 %	Principal activities	Financial year end
	SUBSIDIARIES (CONTINUED)				
	Subsidiaries of Pos Logistics Berhad: (continued)				
	KP Asia Auto Logistics Sdn. Bhd.	**53.50**	53.50	Warehousing and inventory solutions, forwarding, shipping and transport agent	31 December
	Malaysian Shipping Agencies Sdn. Bhd.	**53.50**	53.50	Shipping agency services, freight forwarding and other related services	31 December
	PNSL Berhad	**53.50**	53.50	Shipping agency and chartering services	31 December
	Westport Distripark (M) Sdn. Bhd.	**53.50**	53.50	Dormant	31 December
	PNSL Risk Management Sdn. Bhd.	**53.50**	53.50	Dormant	31 December
	Aman Freight (Malaysia) Sdn. Bhd.	**53.50**	53.50	Dormant	31 December
	KP Distribution Services Sdn. Bhd.	**53.50**	53.50	Dormant	31 December
µ g #	K.P.B. Sadao I.C.D. Company Limited	**53.50**	53.50	Dormant	31 December
	Subsidiaries of Malaysian Shipping Agencies Sdn. Bhd.:				
	Konsortium Logistik (Sabah) Sdn. Bhd.	**53.50**	53.50	Dormant	31 December
	Konsortium Logistik (Sarawak) Sdn. Bhd.	**53.50**	53.50	Dormant	31 December

Notes To The Financial Statements
- 31 December 2025

3 COMPANIES IN THE GROUP (CONTINUED)

Name of company	Effective equity interest 2025 %	2024 %	Principal activities	Financial year end
SUBSIDIARIES (CONTINUED)				
Subsidiary of Automotive Corporation Holdings Sdn. Bhd.:				
Automotive Corporation (Malaysia) Sdn. Bhd.	**100.00**	100.00	Dealers of motor vehicles, related spare parts, accessories and related services	31 December
Subsidiary of USF-HICOM Holdings Sdn. Bhd.:				
DRB-HICOM Commercial Vehicles Sdn. Bhd.	**100.00**	100.00	Sale of motor vehicles and related spare parts and accessories	31 December
Subsidiaries of EON:				
DRB-HICOM EZ-Drive Sdn. Bhd.	**100.00**	100.00	Provision of car rental, leasing of passenger and commercial vehicles	31 December
EON Auto Mart Sdn. Bhd.	**100.00**	100.00	Sale of motor vehicles and related spare parts and servicing of vehicles	31 December
Euromobil Sdn. Bhd.	**100.00**	100.00	Sale of motor vehicles and related spare parts and servicing of vehicles	31 December
HICOM Auto Sdn. Bhd.	**100.00**	100.00	Sale of motor vehicles and related spare parts and servicing of vehicles	31 December
EON Capital Sdn. Bhd.	**100.00**	100.00	Development, management and marketing of hire-purchase or leasing facilities related to the purchase or use of vehicles	31 December

3 COMPANIES IN THE GROUP (CONTINUED)

Name of company	Effective equity interest 2025 %	Effective equity interest 2024 %	Principal activities	Financial year end
SUBSIDIARIES (CONTINUED)				
Subsidiary of DRB-HICOM EZ-Drive Sdn. Bhd.:				
DRB-HICOM Leasing Sdn. Bhd.	**100.00**	100.00	Provision of leasing of passenger and commercial vehicles	31 December
Subsidiaries of HICOM Engineering Sdn. Bhd.:				
HICOM Automotive Manufacturers (Malaysia) Sdn. Bhd.	**100.00**	100.00	Manufacturing and assembly of motor vehicles and other road transport vehicles	31 December
HICOM Diecastings Sdn. Bhd.	**100.00**	100.00	Manufacturing and supply of diecast parts for motorcycles, automobiles and other applications	31 December
PHN Industry Sdn. Bhd.	**100.00**	100.00	Manufacturing of stamped metal parts, sub-assembly of automotive components for the motor industry and design and manufacturing of dies	31 December
HICOM-Teck See Manufacturing Malaysia Sdn. Bhd.	**51.00**	51.00	Manufacturing and sale of thermoplastic and thermosetting products	31 December
Subsidiaries of HICOM Berhad:				
Glenmarie Properties Sdn. Bhd.	**100.00**	100.00	Investment holding and provision of management services	31 December
HB Property Development Sdn. Bhd.	**100.00**	100.00	Investment holding and provision for security services	31 December
Dekad Kaliber Sdn. Bhd.	**100.00**	100.00	Provision of engineering and construction services	31 December

Notes To The Financial Statements
- 31 December 2025

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	Effective equity interest 2024 %	Principal activities	Financial year end
	SUBSIDIARIES (CONTINUED)				
	Subsidiaries of HICOM Berhad: (continued)				
	HICOM Hartanah Sdn. Bhd.	**100.00**	100.00	Investment and management of properties	31 December
	Glenmarie Cove Development Sdn. Bhd.	**100.00**	100.00	Property development	31 December
Ω a	Proton Cars Australia Pty. Limited	**100.00**	100.00	Rental of property	31 December
Ω c	Proton Cars (UK) Limited	**100.00**	100.00	Rental of property	31 December
	HICOM Builders Sdn. Bhd.	**100.00**	100.00	Dormant	31 December
	Subsidiaries of Glenmarie Properties Sdn. Bhd.:				
	DHB Hartanah Sdn. Bhd.	**100.00**	100.00	Investment holding	31 December
	Benua Kurnia Sdn. Bhd.	**100.00**	100.00	Property development	31 December
	HICOM Glen Sdn. Bhd.	**100.00**	100.00	Property development	31 December
	HICOM Indungan Sdn. Bhd.	**100.00**	100.00	Property development	31 December
	HICOM Vertex Sdn. Bhd.	**100.00**	100.00	Property development	31 December
	Neraca Prisma Sdn. Bhd.	**100.00**	100.00	Property development	31 December
	Kenyir Splendour Berhad	**100.00**	100.00	Dormant	31 December
	Subsidiary of HB Property Development Sdn. Bhd.:				
	Dengkir Maju Security Services Sdn. Bhd.	**100.00**	100.00	Provision of security services	31 December

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	Effective equity interest 2024 %	Principal activities	Financial year end
	SUBSIDIARIES (CONTINUED)				
	Subsidiaries of HICOM Indungan Sdn. Bhd.:				
	Indungan Jaya Sdn. Bhd.	**100.00**	100.00	Dormant	31 December
	HICOM Tan & Tan Sdn. Bhd.	**50.00**	50.00	Dormant	31 December
	Subsidiary of DHB Hartanah Sdn. Bhd.:				
	DHB Properties Sdn. Bhd.	**100.00**	100.00	Property development and related activities	31 December
	Subsidiaries of PHN Industry Sdn. Bhd.:				
	DRB-HICOM Mechatronics Sdn. Bhd.	**100.00**	100.00	Manufacturing, assembling and trading of automotive electrical and electronics components	31 December
	Oriental Summit Industries Sdn. Bhd.	**100.00**	100.00	Dormant	31 December
	JOINT VENTURES				
	Joint ventures of DRB-HICOM Berhad:				
* x	Isuzu Service Center Sdn. Bhd.	**73.69**	73.69	Provision of after sales services, sale of spare parts and automobile workshop	31 March
x	Motosikal Dan Enjin Nasional Sdn. Bhd. (“MODENAS”)	**70.00**	70.00	Manufacturing, assembly and distribution of motorcycles, related spare parts and accessories and servicing of motorcycles	31 December

Notes To The Financial Statements
– 31 December 2025

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	Effective equity interest 2024 %	Principal activities	Financial year end
	JOINT VENTURES (CONTINUED)				
	Joint ventures of DRB-HICOM Berhad: (continued)				
*	Isuzu Malaysia Sdn. Bhd.	**48.42**	48.42	Importation, assembly and distribution of motor vehicles, components and parts	31 March
* f	Goldstar LOTUS Automobile Co., Ltd.	**50.00**	50.00	Dormant	31 December
	Joint venture of HHB:				
$ *	HICOM-HONDA Manufacturing Malaysia Sdn. Bhd.	-	48.00	Dormant	31 March
	Joint venture of Perusahaan Otomobil Nasional Sdn. Bhd.:				
	Furi Global Sdn. Bhd.	**20.04**	20.04	Supplying imported and local parts for automotive vendors, including completely knocked down modular parts or any local parts.	31 December
	Joint venture of Proton Edar Sdn. Bhd.:				
	Proton Commerce Sdn. Bhd.	**25.05**	25.05	Providing hire purchase or leasing facilities in respect of the purchase or use of PROTON and other vehicles	31 December
	Joint venture of AHTV Ventures Sdn. Bhd.:				
x	AHTV Alliance Sdn. Bhd.	**50.10**	50.10	Property development	31 December

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	2024 %	Principal activities	Financial year end
	JOINT VENTURES (CONTINUED)				
	Joint venture of EON:				
*	Mitsubishi Motors Malaysia Sdn. Bhd.	**48.00**	48.00	Importation, assembly, distribution and trading of motor vehicles, components, spare parts and accessories	31 March
	Joint ventures of HICOM Engineering Sdn. Bhd.:				
	HICOM-YAMAHA Manufacturing Malaysia Sdn. Bhd.	**45.00**	45.00	Manufacturing and assembly of motorcycle engines and parts	31 December
*	Exedy (Malaysia) Sdn. Bhd.	**45.00**	45.00	Manufacturing of car manual clutches, springs and related parts	31 March
$ *	New Energy Asia Sdn. Bhd.	**49.00**	-	Dormant	31 December
	Joint venture of HICOM-Teck See Manufacturing Malaysia Sdn. Bhd.:				
*	XINQUAN HICOM Malaysia Sdn. Bhd.	**24.99**	24.99	Design, develop and manufacturing of instrument panel, floor consoles and door trims and related components for vehicles	31 December

Notes To The Financial Statements
– 31 December 2025

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	2024 %	Principal activities	Financial year end
	ASSOCIATES				
	Associates of DRB-HICOM Berhad:				
	Honda Malaysia Sdn. Bhd.	**34.00**	34.00	Investment holding, assembly, manufacturing and sale of motor vehicles, accessories and components, trading of imported motor vehicles and related spare parts	31 March
	Marak Unggul Sdn. Bhd.	**29.99**	29.99	Dormant	31 December
	Associate of Perusahaan Otomobil Nasional Sdn. Bhd.:				
*	AAPICO AVEE Sdn. Bhd.	**20.04**	20.04	Development, manufacturing and sale of products and services relating to dies, moulds, jigs and stamping activities	31 December
	Associate of Proton Automobiles (China) Limited:				
* f	Goldstar Proton Automobiles Co., Limited	**24.55**	24.55	Dormant	31 December
	Associates of EON:				
y	EON Petromin Sdn. Bhd.	**51.00**	51.00	Provision of fast-fit after sales services and sale of spare parts	31 December
* z	GFS Technology Sdn. Bhd.	**10.00**	10.00	Provision of financial services, including but not limited to hire purchase and floor stocking	31 March

3 COMPANIES IN THE GROUP (CONTINUED)

	Name of company	Effective equity interest 2025 %	2024 %	Principal activities	Financial year end
	ASSOCIATES (CONTINUED)				
	Associates of HICOM Engineering Sdn. Bhd.:				
*	HICOM HBPO Sdn. Bhd.	**49.00**	49.00	Assembly, manufacturing and sale of front end modules and related components	31 December
*	ISUZU HICOM Malaysia Sdn. Bhd.	**49.00**	49.00	Manufacturing, assembly and sale of commercial vehicles	31 March
	Associates of Pos Malaysia:				
*	Elpos Print Sdn. Bhd. *(Under compulsory winding up)*	**21.40**	21.40	Dormant	31 December
$	CEN Sdn. Bhd.	**-**	22.74	Dormant	31 December
	Associate of Pos Aviation Sdn. Bhd.:				
	World Cargo Airline Sdn. Bhd.	**26.22**	26.22	Provision of air cargo transport	31 December
	Associate of Oriental Summit Industries Sdn. Bhd.:				
$ *	Faurecia HICOM Emissions Control Technologies (M) Sdn. Bhd.	**-**	35.00	Dormant	31 December

Notes To The Financial Statements
- 31 December 2025

3 COMPANIES IN THE GROUP (CONTINUED)

@ All shares in this company have been charged for bank borrowings as disclosed in Note 43.

* These companies in the Group are not audited by KPMG PLT, Malaysia and member firms of KPMG International Limited.

µ Audited by other member firms of KPMG International Limited.

$ The dilution exercise or changes in the effective equity interest/reclassification of these companies in the Group are as disclosed in Notes 48 and 49, respectively.

Inclusive of the effective beneficial interest of 27.28% (2024: 27.28%) held in trust.

x The Group owns more than half of the ownership interest in the joint venture, which is neither a subsidiary nor an associate of the Group, but is subject to contractually agreed joint control over strategic operating, investing, and financial policy decisions. Such decisions require the unanimous consent of the parties sharing control.

y The Group owns more than half of the ownership interest in the associate over which it has significant influence, but not control, and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the associate’s financial and operating policy decisions without having control over those policies.

z The Group owns less than 20% of the ownership interest in the associate over which it has significant influence. Significant influence is the power to participate in the associate’s financial and operating policy decisions without having control over those policies.

Ω Qualified for audit exemption in accordance with Companies Act/Corporation Act.

a The principal place of business/country of incorporation is Australia.

b The principal place of business/country of incorporation is British Virgin Islands.

c The principal place of business/country of incorporation is England.

d The principal place of business/country of incorporation is Indonesia.

e The principal place of business/country of incorporation is Iran.

f The principal place of business/country of incorporation is People’s Republic of China.

g The principal place of business/country of incorporation is Thailand.

All the other companies were incorporated and principally based in Malaysia.

As mutually agreed by respective shareholders, the financial year end of certain joint ventures and associates do not coincide with the Group.

4 REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers				
Sale of goods	**12,367,282**	11,513,151	**-**	-
Rendering of services	**2,425,609**	2,383,112	**-**	-
Construction contracts	**141,422**	6,690	**-**	-
Sale of land and development properties	**118,855**	114,108	**-**	-
Banking - fees and commissions	**110,728**	105,816	**-**	-
	15,163,896	14,122,877	**-**	-
Other revenue				
Banking income from financial instruments	**2,095,456**	2,008,181	**-**	-
Equipment and vehicle leasing	**22,438**	35,739	**-**	-
Short-term car rental	**27,738**	23,967	**-**	-
Dividend income from subsidiaries, joint venture and associate	**-**	-	**240,461**	315,837
Interest income from subsidiaries and joint venture	**-**	-	**58,486**	53,654
Rental income from subsidiaries and associate	**-**	-	**14,106**	14,121
	2,145,632	2,067,887	**313,053**	383,612
Total revenue	**17,309,528**	16,190,764	**313,053**	383,612

Notes To The Financial Statements
- 31 December 2025

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of revenue recognition or method used for revenue recognition	Significant payment term	Variable element in consideration	Obligation for returns or refunds	Warranty
Sale of goods	Revenue is recognised at a point in time upon control of the goods transferred to the customers, generally on delivery of goods.	• Cash sale for disposal of used motor vehicles. • Credit terms range from 7 to 180 days from the invoice date.	In respect of automotive vehicles, • incentives are given to customers upon sale of certain products by customers to the end users. • volume rebates are given to certain customers where the quantity of products purchased during the period exceeds a threshold specified in the contract. In respect of commercial vehicles, there would be liquidated ascertained damages for certain contracts when the contract is completed late.	Not applicable.	In respect of automotive vehicles and spare parts, assurance-type warranties of five years are given to the end-customers. In respect of commercial vehicles, product warranties of 12 months are given to the customers.

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	Timing of revenue recognition or method used for revenue recognition	Significant payment term	Variable element in consideration	Obligation for returns or refunds	Warranty
Sale of tooling	Revenue is recognised for performance obligations satisfied over time using the input method, which is based on the costs incurred, relative to the total expected costs for the satisfaction of the performance obligation.	Credit terms range from 30 to 90 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
Retail business	Revenue is recognised at a point in time when the services are rendered and goods are delivered to customers.	Cash sale.	Not applicable.	Not applicable.	Not applicable.
Ar-Rahnu business	Revenue is recognised at a point in time at predetermined rates upon sale of gold items to customers.	Cash sale.	Not applicable.	Not applicable.	Not applicable.

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	**Timing of revenue recognition or method used for revenue recognition**	**Significant payment term**	**Variable element in consideration**	**Obligation for returns or refunds**	**Warranty**
Rendering of services:					
- assembly services for automotive vehicles	The Group is acting as an agent in this arrangement. Revenue is recognised at a point in time when the control of the vehicles has transferred, being when the vehicles are delivered to the customers. Delivery occurs when the vehicles have been accepted by the customers upon completion of the assembly services.	Credit terms range from 30 to 60 days from the invoice date.	Not applicable.	Not applicable.	Assurance warranties of 18 months are given to the customers.
- importation services and pre-delivery inspection services	The Group is acting as an agent in this arrangement. Revenue is recognised at a point in time when the control of the goods has transferred, being when the goods are delivered to the customers. Delivery occurs when the goods have been accepted by the customers upon completion of the rendering of services.	Credit terms range from 30 to 180 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	Timing of revenue recognition or method used for revenue recognition	Significant payment term	Variable element in consideration	Obligation for returns or refunds	Warranty
Rendering of services: (continued)					
- parts and after-sales services	Revenue is recognised at a point in time when performance obligation is satisfied being rendered and accepted by the customers.	• Cash sale. • Credit terms range from 60 to 120 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
- mail, courier and international products - digital products - printing, insertion and office solutions - in-flight catering and cargo handling and airport services - agent for port customs clearance	Revenue is recognised at a point in time when the services are rendered and goods are delivered to customers.	• Cash sale. • Credit terms range from 30 to 60 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
- inspection services	Revenue is recognised at a point in time when the services are rendered to the customers.	Cash sale.	Not applicable.	Not applicable.	Not applicable.

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	Timing of revenue recognition or method used for revenue recognition	Significant payment term	Variable element in consideration	Obligation for returns or refunds	Warranty
Rendering of services: (continued)					
- maintenance services	Revenue is recognised at a point in time when the services are rendered to and accepted by the customers.	• Cash sale. • Credit terms range from 30 to 90 days from the invoice date.	In respect of maintenance for commercial vehicles, there would be customer rebate when services are rendered late.	Not applicable.	In respect of maintenance for commercial vehicles, assurance warranties of 6 months are given to the end-customers.
- commercial laboratory testing services	Revenue is recognised at a point in time when the services are rendered to and accepted by the customers.	• Cash sale. • Credit terms range from 30 to 90 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
- repair and maintenance	Revenue is recognised for performance obligation satisfied over time when the services are rendered.	Credit term of 30 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	Timing of revenue recognition or method used for revenue recognition	Significant payment term	Variable element in consideration	Obligation for returns or refunds	Warranty
Rendering of services: (continued)					
- haulage and freight forwarding	Revenue is recognised over time as and when the transportation services are rendered using the cost incurred method.	• Cash sale. • Credit terms range from 30 to 60 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
- digital services	Revenue is recognised over time when services are rendered to customers.	• Cash sale. • Credit terms range from 30 to 60 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
- automotive and project logistics	Revenue is recognised over time as and when the logistics services, storage and inventory solutions services are rendered over the performance of the service.	• Cash sale. • Credit terms range from 30 to 60 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.

Notes To The Financial Statements
- 31 December 2025

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	Timing of revenue recognition or method used for revenue recognition	Significant payment term	Variable element in consideration	Obligation for returns or refunds	Warranty
Rendering of services: (continued)					
- maintenance services for building	Revenue is recognised for performance obligation satisfied over time when the services are rendered.	Credit term of 30 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
- security services	Revenue is recognised for performance obligation satisfied over time when the services are rendered.	Credit term of 30 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
- educational services	Revenue is recognised for performance obligation satisfied over the duration of courses.	Credit term of 120 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
	Fee from training activities is recognised at net of service taxes on completion of each stage of the assignment.	Credit term of 30 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	**Timing of revenue recognition or method used for revenue recognition**	**Significant payment term**	**Variable element in consideration**	**Obligation for returns or refunds**	**Warranty**
Construction contracts	Revenue is recognised for performance obligation satisfied over time using the input method, which is based on the costs incurred, relative to the total expected costs for the satisfaction of the performance obligation.	A fixed monthly payment will be received after the completion of construction work. Credit term of 30 days from the invoice date/the issuance of the client certificate of payment.	There would be liquidated ascertained damages for certain contracts when the contract is completed late.	Not applicable.	To make good defects throughout maintenance period.
Sale of completed properties	Revenue is recognised at a point in time when control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers.	• Credit terms of 90 days from the invoice date. • Credit terms range of 90 days (interest-free) and 30 days (with interest) from the sales contract date.	Not applicable.	Not applicable.	Not applicable.

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	**Timing of revenue recognition or method used for revenue recognition**	**Significant payment term**	**Variable element in consideration**	**Obligation for returns or refunds**	**Warranty**
Sale of development properties	Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation.	Based on agreed percentage of completion as stipulated in the sales contract.	• There would be liquidated ascertained damages for certain contracts when the contract is completed late. • Payment for legal fees, stamp duty on memorandum of transfer, etc. • Discounts are given to certain customers.	Not applicable.	Defect liability of a 24-month period is given upon the delivery of vacant possession of the development unit.
Sale of land and construction of infrastructure	In respect of sale of land, revenue is recognised at a point in time when control of the land has been transferred to the purchaser. In respect of construction of infrastructure, revenue is recognised at a point in time or over time, depending on the terms of the contract and the law that apply to the contract.	Based on agreed percentage of completion as stipulated in the sales contract.	There would be liquidated ascertained damages for certain contracts when the contract is completed late.	Not applicable.	Not applicable.

4 REVENUE (CONTINUED)

(a) The following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	**Timing of revenue recognition or method used for revenue recognition**	**Significant payment term**	**Variable element in consideration**	**Obligation for returns or refunds**	**Warranty**
Sale of land and construction of infrastructure (continued)	Sales of land comprised two performance obligations since the promises to transfer land and construction of infrastructure are capable of being distinct and separately identifiable. Accordingly, the subsidiary allocates the transaction price based on relative stand-alone selling prices of the land and the construction services.				
Banking - fees and commissions	Fee and commission, except for fee from advisory and corporate finance activities, is recognised as revenue based on accrual on timing apportionment method. Fee from advisory and corporate finance activities is recognised on completion of each stage of the assignment.	Not applicable.	Not applicable.	Not applicable.	Not applicable.

4 REVENUE (CONTINUED)

(b) Breakdown of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time according to the geographical regions:

	Mobility RM'000	Postal RM'000	Banking RM'000	Services RM'000	Properties RM'000	Total RM'000
Financial year ended 31 December 2025						
Group						
Geographical markets						
Within Malaysia	11,934,402	1,528,282	110,728	214,287	299,205	14,086,904
Outside Malaysia	805,953	271,039	-	-	-	1,076,992
	12,740,355	1,799,321	110,728	214,287	299,205	15,163,896
Type of goods and services						
Sale of goods	12,361,833	5,409	-	-	40	12,367,282
Rendering of services	378,522	1,793,912	-	214,287	38,888	2,425,609
Construction contracts	-	-	-	-	141,422	141,422
Sale of land and development properties	-	-	-	-	118,855	118,855
Banking - fees and commissions	-	-	110,728	-	-	110,728
	12,740,355	1,799,321	110,728	214,287	299,205	15,163,896
Timing of revenue recognition						
At a point in time	12,713,521	1,553,639	110,728	205,267	60,984	14,644,139
Over time	26,834	245,682	-	9,020	238,221	519,757
	12,740,355	1,799,321	110,728	214,287	299,205	15,163,896

4 REVENUE (CONTINUED)

(b) Breakdown of revenue from contracts with customers (continued)

The Group derives revenue from the transfer of goods and services over time and at a point in time according to the geographical regions: (continued)

	Mobility RM'000	Postal RM'000	Banking RM'000	Services RM'000	Properties RM'000	Total RM'000
Financial year ended 31 December 2024						
Group						
Geographical markets						
Within Malaysia	11,201,625	1,489,745	105,816	189,588	192,407	13,179,181
Outside Malaysia	663,967	279,729	-	-	-	943,696
	11,865,592	1,769,474	105,816	189,588	192,407	14,122,877
Type of goods and services						
Sale of goods	11,481,084	220	-	-	31,847	11,513,151
Rendering of services	384,508	1,769,254	-	189,588	39,762	2,383,112
Construction contracts	-	-	-	-	6,690	6,690
Sale of land and development properties	-	-	-	-	114,108	114,108
Banking - fees and commissions	-	-	105,816	-	-	105,816
	11,865,592	1,769,474	105,816	189,588	192,407	14,122,877
Timing of revenue recognition						
At a point in time	11,847,141	1,440,317	105,816	181,055	81,680	13,656,009
Over time	18,451	329,157	-	8,533	110,727	466,868
	11,865,592	1,769,474	105,816	189,588	192,407	14,122,877

4 REVENUE (CONTINUED)

(c) The following information shows revenue from remaining performance obligations where services have yet to be rendered/goods not delivered as at the reporting date. The disclosure is only providing information for contracts that have an original duration of more than one year.

	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	Beyond 5 years	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
2025					
Sale of goods	**39,988**	**-**	**-**	**-**	**39,988**
Rendering of services	**132,344**	**54,213**	**121,854**	**428,544**	**736,955**
Construction contracts	**15,683**	**-**	**-**	**-**	**15,683**
Sale of land and development properties	**73,169**	**-**	**-**	**-**	**73,169**
Total	**261,184**	**54,213**	**121,854**	**428,544**	**865,795**
2024					
Sale of goods	16,075	3,274	-	-	19,349
Rendering of services	75,550	59,911	125,695	462,334	723,490
Construction contracts	134,887	-	-	-	134,887
Sale of land and development properties	69,352	2,187	-	-	71,539
Total	295,864	65,372	125,695	462,334	949,265

(d) Assets and liabilities related to revenue from contracts with customers

Information about receivables, contract assets and contract liabilities from contracts with customers are disclosed in Notes 25 and 42, respectively.

5 COST OF SALES

	Group	
	2025	2024
	RM'000	RM'000
Cost of inventories	**10,863,496**	10,285,766
Cost of services rendered	**2,162,805**	2,178,843
Cost of construction contracts	**113,515**	(19,907)
Cost of sale of land and development properties	**71,696**	91,591
Cost of banking	**1,276,752**	1,273,741
	14,488,264	13,810,034

In the previous financial year, the cost of construction contracts included a reversal of prolongation cost of RM28,229,000 related to a facility and infrastructure project.

6 PROFIT BEFORE TAXATION

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

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Allowance for expected credit losses of financing of customers		**82,694**	158,354	**-**	-
Allowance/(write-back of allowance) for expected credit losses of trade and other receivables		**19,514**	(777)	**121,565**	245,000
Amortisation of intangible assets	18	**566,139**	480,928	**-**	-
Auditors' remuneration					
- statutory audit					
- KPMG PLT		**5,028**	4,673	**462**	430
- Member firms of KPMG International Limited		**24**	43	**-**	-
- other auditors		**168**	-	**-**	-
- audit related services					
- KPMG PLT		**1,778**	1,736	**433**	370
- non-audit services					
- KPMG PLT		**590**	15	**6**	5
- Local affiliates of KPMG PLT		**1,221**	1,412	**30**	35
- Member firms of KPMG International Limited		**-**	6	**-**	-
Depreciation of property, plant and equipment	13	**674,334**	709,620	**-**	-
Directors' emoluments	7	**6,963**	8,244	**2,099**	2,232
Finance costs	9	**514,469**	519,472	**181,767**	182,477

6 PROFIT BEFORE TAXATION (CONTINUED)

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

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Impairment loss/(reversal of impairment loss) of (net):					
- intangible assets	18	**236,649**	-	**-**	-
- investment in subsidiaries		**-**	-	**(248,953)**	(184,110)
- investment securities: financial assets at FVOCI		**2**	23	**-**	-
- investment securities: financial assets at amortised cost		**-**	44,760	**-**	-
- other assets, and cash and short-term funds		**(366)**	286	**-**	-
- property, plant and equipment	13	**115,579**	(5,028)	**-**	-
Loss in fair value adjustments of investment securities: FVTPL		**59,474**	21,018	**-**	-
Loss on liquidation of a joint venture		**292**	-	**-**	-
Marked to market loss/(gain) on derivatives	29(b)	**17,686**	(12,239)	**-**	-
Provision for liabilities and charges	35	**91,016**	4,901	**-**	-
Rental of motor vehicles		**21,236**	2,206	**-**	-
Rental of plant and equipment		**43,139**	40,883	**-**	-
Rental of premises		**20,543**	24,594	**-**	-
Research and development expenditure		**64,873**	12,324	**-**	-
Staff costs	8	**3,050,432**	2,895,627	**-**	-
Unrealised foreign exchange differences (net)		**7,399**	(8,514)	**-**	1

6 PROFIT BEFORE TAXATION (CONTINUED)

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

		Group		Company	
	Note	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Write-down of inventories		**68,123**	131,172	**-**	-
Write-off of intangible assets	18	**265**	4,505	**-**	-
Write-off of property, plant and equipment	13	**469**	1,867	**-**	-
Amortisation of deferred income	34	**(393)**	(462)	**-**	-
Dividend income:					
- subsidiaries	4	**-**	-	**(84,752)**	(174,423)
- joint venture	4	**-**	-	**(13,589)**	(17,994)
- associate	4	**-**	-	**(142,120)**	(123,420)
- other investments		**(3,907)**	(3,397)	**-**	-
(Gain)/loss on disposals of:					
- a subsidiary	49(iii)(a)	**-**	(87)	**-**	-
- property, plant and equipment		**(3,473)**	955	**-**	-
- investment securities: FVTPL		**(193)**	(21)	**-**	-
- investment securities: FVOCI		**(28,180)**	(14,262)	**-**	-
Gain on fair value adjustments of investment properties	14	**(23,838)**	(13,434)	**-**	-
Gain on lease modification		**(157)**	(1,751)	**-**	-
Gain on termination of leases		**(947)**	(1,822)	**-**	-

6 PROFIT BEFORE TAXATION (CONTINUED)

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

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest income on:					
- short-term deposits		**(69,210)**	(60,216)	**(17,054)**	(21,718)
- subsidiaries		**-**	-	**(57,849)**	(52,838)
- joint venture		**(864)**	(1,198)	**(637)**	(816)
Lease income related to property, plant and equipment under operating lease recognised under:					
- other revenue		**(45,464)**	(59,713)	**-**	-
- other income		**(15,817)**	(14,304)	**-**	-
Negative goodwill arising from acquisition of a subsidiary	48(i)(d)	**(334,415)**	-	**-**	-
Realised foreign exchange differences (net)		**(59,782)**	38,911	**19**	-
Rental income related to:					
- investment properties	14(a)	**(25,206)**	(26,242)	**(14,106)**	(14,121)
- others		**(8,021)**	(9,821)	**-**	-

7 DIRECTORS' EMOLUMENTS

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Non-executive Directors:				
- fees	**1,350**	1,536	**1,113**	1,244
- allowances and other benefits	**1,112**	1,135	**986**	988
Executive Director:				
- salaries, bonuses, fees, allowances and other benefits	**3,897**	4,821	**-**	-
- defined contribution plan	**604**	752	**-**	-
	6,963	8,244	**2,099**	2,232

The estimated value of benefits-in-kind received by Directors of the Group amounted to RM170,400 (2024: RM229,777).

8 STAFF COSTS

		Group	
		2025	**2024**
	Note	**RM'000**	**RM'000**
Salaries, wages, bonuses, allowances and other benefits		**2,751,443**	2,605,754
Defined contribution plan		**295,100**	286,284
Defined benefit plan	36(c)	**283**	189
Termination benefits		**3,606**	3,400
		3,050,432	2,895,627

Notes To The Financial Statements
– 31 December 2025

9 FINANCE COSTS

		Group		Company	
		2025	2024	2025	2024
	Note	RM’000	RM’000	RM’000	RM’000
Interest expense on:					
- borrowings		**446,492**	449,043	**174,181**	175,198
- subsidiaries		**-**	-	**1,066**	1,412
- lease charges		**16,739**	16,869	**-**	-
- a related party		**-**	6,927	**-**	-
Total interest expense		**463,231**	472,839	**175,247**	176,610
Less: Interest expense capitalised in property, plant and equipment	13(b)	**(7,509)**	(7,623)	**-**	-
		455,722	465,216	**175,247**	176,610
Accretion of discounts related to RCCPS		**50,367**	47,441	**-**	-
Other finance charges		**2,464**	1,879	**2,423**	1,714
Unwinding of discount		**5,916**	4,936	**4,097**	4,153
Total	6	**514,469**	519,472	**181,767**	182,477

10 TAXATION

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Statement of Comprehensive Income:					
Current taxation					
- Malaysian tax		**163,507**	155,898	**2,046**	2,967
- (Over)/under provision in respect of prior financial year		**(10,686)**	9,370	**(439)**	1,198
		152,821	165,268	**1,607**	4,165
Deferred taxation	19				
- Current financial year		**(99,315)**	(15,774)	**1,413**	1,414
- Under/(over) provision in respect of prior financial year		**11,622**	(7,876)	**-**	(3,240)
		(87,693)	(23,650)	**1,413**	(1,826)
Total taxation charge		**65,128**	141,618	**3,020**	2,339
Deferred taxation related to other comprehensive income	19	**15,047**	76	**-**	-

Income tax is calculated at the statutory tax rate of 24% (2024: 24%) on the estimated assessable profit for the financial year.

10 TAXATION (CONTINUED)

The explanation of the relationship between taxation charge and profit before taxation is as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Numerical reconciliation of effective taxation charge				
Profit before taxation	**653,883**	247,390	**184,658**	79,611
Tax calculated at the Malaysian tax rate of 24% (2024: 24%)	**156,932**	59,374	**44,318**	19,107
Tax effects of:				
- change in tax rate	**(6,697)**	(3,365)	**-**	-
- different tax rates	**390**	(39)	**-**	-
- effect of other temporary differences not recognised	**(5,899)**	(6,501)	**-**	-
- expenses not deductible for tax purposes	**122,519**	131,318	**83,774**	123,320
- income not subject to tax	**(85,460)**	(8,481)	**(124,633)**	(138,046)
- deferred tax assets not recognised on tax allowances	**6,816**	4,971	**-**	-
- deferred tax assets not recognised on unutilised tax losses	**71,788**	60,630	**-**	-
- deferred tax assets recognised in respect of unabsorbed tax allowances previously unrecognised	**(3,652)**	-	**-**	-
- deferred tax assets recognised in respect of unutilised tax losses previously unrecognised	**(159,592)**	(12,000)	**-**	-
- deferred tax assets not recognised in respect of unabsorbed temporary differences	**8,751**	-	**-**	-
Sub-total carried forward	**105,896**	225,907	**3,459**	4,381

10 TAXATION (CONTINUED)

The explanation of the relationship between taxation charge and profit before taxation is as follows: (continued)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Tax effects of: (continued)				
Sub-total brought forward	**105,896**	225,907	**3,459**	4,381
- utilisation of tax allowances arose in the current year	**(253)**	(741)	**-**	-
- unrecognised current year's tax allowances/ (utilisation of previously unrecognised tax allowances)	**27,679**	(37,598)	**-**	-
- (utilisation of tax losses)/ Unrecognised tax losses	**(7,275)**	14,303	**-**	-
- share of results of joint ventures	**(27,779)**	(23,582)	**-**	-
- share of results of associates	**(34,076)**	(38,165)	**-**	-
(Over)/under provision of current taxation in respect of prior financial year	**(10,686)**	9,370	**(439)**	1,198
Under/(over) provision of deferred taxation in respect of prior financial year	**11,622**	(7,876)	**-**	(3,240)
Taxation charge	**65,128**	141,618	**3,020**	2,339

Notes To The Financial Statements
- 31 December 2025

10 TAXATION (CONTINUED)

Below are the unutilised tax losses, unabsorbed capital allowances, unutilised reinvestment allowances, unutilised investment tax allowances and other deductible temporary differences of the Group which have not been recognised in the financial statements as they are not probable to be used to offset against the taxable profits of the respective subsidiaries of the Group:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Unutilised tax losses	**3,177,325**	3,573,486
Unabsorbed capital allowances	**923,585**	910,164
Unutilised reinvestment allowances	**45,229**	46,284
Unutilised investment tax allowances	**1,632**	1,632
Other deductible temporary differences	**445,069**	433,187

The unutilised tax losses shall be allowed to be carried forward for a maximum period of ten consecutive years of assessment whereas, the unutilised reinvestment allowance is allowed to be carried forward for a maximum period of seven consecutive years of assessment. Any amount which is not utilised at the end of the carry forward period shall be disregarded. The remaining unabsorbed capital allowances and investment tax allowances do not expire under current tax legislation in countries where respective Group entities operate.

The unutilised tax losses, unabsorbed capital allowances, unutilised reinvestment allowances, unutilised investment tax allowances and other deductible temporary differences of the Group are available for offsetting against future taxable profits of the respective companies within the Group as follows:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Utilisation period		
Indefinite	**1,370,286**	1,344,983
Between one to two years	**-**	-
Between three to six years	**1,641,967**	2,105,353
Within seven years	**538,045**	342,639
Within eight years	**339,633**	509,689
Within nine years	**329,572**	339,633
Within ten years	**373,337**	322,456
	4,592,840	4,964,753

11 DIVIDENDS

Dividends paid are as follows:

	Group and Company	
	2025	**2024**
	RM'000	**RM'000**
In respect of the financial year ended 31 December 2024:		
Final dividend of 2.5 sen per share, approved on 28 March 2025, paid on 30 April 2025 (31 December 2023: Final dividend of 2.5 sen per share, approved on 28 May 2024, paid on 27 June 2024)	**48,331**	48,331

Subsequent to the financial year end, on 26 March 2026, the Directors approved a final dividend of 2.5 sen per share amounting to RM48,330,926 in respect of the financial year ended 31 December 2025. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

12 EARNINGS PER SHARE

The Company has no dilution in its earnings per ordinary share as at 31 December 2025 and 31 December 2024.

The basic and diluted earnings per share is calculated by dividing the Group's net profit attributable to Owners of the Company by the number of shares in issue during the financial year.

	Group	
	2025	**2024**
Net profit attributable to Owners of the Company (RM'000)	**397,973**	22,554
Number of ordinary shares in issue ('000)	**1,933,237**	1,933,237
Basic and diluted earnings per share (sen)	**20.59**	1.17

13 PROPERTY, PLANT AND EQUIPMENT

	Note	Freehold land RM'000	Buildings and improvements RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Vessels RM'000	Office equipment, furniture and fittings RM'000	Capital work-in-progress RM'000	Assets under operating lease RM'000	Right-of-use assets RM'000	Total RM'000
GROUP											
At 1 January 2025		1,004,554	1,474,302	1,170,900	98,213	131,210	264,718	223,111	232,420	681,029	5,280,457
Acquisition of a subsidiary	48(i)(d)	-	107,252	28,720	-	-	197	-	-	3,442	139,611
Additions		-	29,892	36,279	15,587	11,612	33,990	370,014	79,619	83,550	660,543
Disposals		-	(63)	(406)	(2,476)	-	(543)	-	-	-	(3,488)
Termination		-	-	-	-	-	-	-	-	(10,313)	(10,313)
Lease modification		-	-	-	-	-	-	-	-	20,916	20,916
Write-off	6	-	(86)	(87)	(45)	-	(161)	(90)	-	-	(469)
Depreciation	6	-	(103,139)	(294,974)	(11,127)	(11,016)	(99,883)	-	(45,941)	(108,254)	(674,334)
Impairment loss	6	-	(17)	(112,547)	-	(3,015)	-	-	-	-	(115,579)
Currency translation differences		(277)	(698)	(178)	-	(11,498)	-	-	-	166	(12,485)
Reclassification		-	21,204	34,197	(5,259)	-	8,718	(64,340)	5,480	-	-
Transfer from/(to) intangible assets	18	-	27,110	166,200	688	-	18,889	(128,762)	-	-	84,125
Transfer to inventories		-	-	-	(5,824)	-	-	-	(5,265)	-	(11,089)
Sub-total carried forward		1,004,277	1,555,757	1,028,104	89,757	117,293	225,925	399,933	266,313	670,536	5,357,895

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold land RM'000	Buildings and improvements RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Vessels RM'000	Office equipment, furniture and fittings RM'000	Capital work-in-progress RM'000	Assets under operating lease RM'000	Right-of-use assets RM'000	Total RM'000
GROUP											
Sub-total brought forward		1,004,277	1,555,757	1,028,104	89,757	117,293	225,925	399,933	266,313	670,536	5,357,895
Transfer to investment properties	14	(108,987)	(56,843)	-	-	-	-	-	-	(6,657)	(172,487)
Transfer from assets held for sale	30	-	-	351	-	-	-	-	-	-	351
Adjustment	(a)	-	54,477	-	-	-	-	-	-	-	54,477
At 31 December 2025		895,290	1,553,391	1,028,455	89,757	117,293	225,925	399,933	266,313	663,879	5,240,236
As at 31 December 2025											
Cost		930,763	4,299,726	6,545,129	485,729	188,095	2,204,507	405,108	392,335	1,350,326	16,801,718
Accumulated depreciation		-	(2,625,357)	(4,999,098)	(389,021)	(67,253)	(1,944,774)	-	(126,022)	(673,747)	(10,825,272)
Accumulated impairment losses		(35,473)	(120,978)	(517,576)	(6,951)	(3,549)	(33,808)	(5,175)	-	(12,700)	(736,210)
Net book value		895,290	1,553,391	1,028,455	89,757	117,293	225,925	399,933	266,313	663,879	5,240,236

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold land RM'000	Buildings and improvements RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Vessels RM'000	Office equipment, furniture and fittings RM'000	Capital work-in-progress RM'000	Assets under operating lease RM'000	Right-of-use assets RM'000	Total RM'000
GROUP											
At 1 January 2024		977,120	1,532,927	892,787	99,112	141,125	571,233	216,860	143,464	655,968	5,230,596
Additions		75	54,531	42,660	26,129	5,026	39,984	314,071	108,654	103,061	694,191
Disposals		-	(166)	(132)	(4,300)	-	(3,240)	-	-	-	(7,838)
Termination		-	-	-	-	-	-	-	-	(14,794)	(14,794)
Lease modification		-	-	-	-	-	-	-	-	36,347	36,347
Write-off	6	-	(304)	(427)	(69)	-	(147)	(920)	-	-	(1,867)
Depreciation	6	-	(155,876)	(167,864)	(24,353)	(11,332)	(206,690)	-	(29,097)	(114,408)	(709,620)
Reversal of impairment loss/(impairment loss)	6	-	8,683	1,849	(180)	-	(4,957)	(367)	-	-	5,028
Currency translation differences		(412)	-	-	-	(3,609)	-	-	-	(3)	(4,024)
Reclassification		15,477	9,585	343,004	7,722	-	(319,020)	(79,650)	22,882	-	-
Transfer from/(to) intangible assets	18	-	25,288	59,374	484	-	187,555	(226,883)	-	-	45,818
Transfer to inventories		-	-	-	(6,332)	-	-	-	(13,483)	-	(19,815)
Sub-total carried forward		992,260	1,474,668	1,171,251	98,213	131,210	264,718	223,111	232,420	666,171	5,254,022

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold land RM'000	Buildings and improvements RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Vessels RM'000	Office equipment, furniture and fittings RM'000	Capital work-in-progress RM'000	Assets under operating lease RM'000	Right-of-use assets RM'000	Total RM'000
GROUP											
Sub-total brought forward		992,260	1,474,668	1,171,251	98,213	131,210	264,718	223,111	232,420	666,171	5,254,022
Transfer from inventories – property development cost	24(b)	12,535	-	-	-	-	-	-	-	-	12,535
Transfer (to)/from investment properties	14	(97)	(5,335)	-	-	-	-	-	-	14,858	9,426
Transfer to assets held for sale	30	(144)	-	(351)	-	-	-	-	-	-	(495)
Adjustment	(a)	-	4,969	-	-	-	-	-	-	-	4,969
At 31 December 2024		1,004,554	1,474,302	1,170,900	98,213	131,210	264,718	223,111	232,420	681,029	5,280,457
As at 31 December 2024											
Cost		1,040,027	4,081,338	6,523,326	544,102	194,608	2,309,881	228,286	343,799	1,309,900	16,575,267
Accumulated depreciation		-	(2,482,527)	(4,946,793)	(438,936)	(62,639)	(2,011,334)	-	(111,379)	(616,171)	(10,669,779)
Accumulated impairment losses		(35,473)	(124,509)	(405,633)	(6,953)	(759)	(33,829)	(5,175)	-	(12,700)	(625,031)
Net book value		1,004,554	1,474,302	1,170,900	98,213	131,210	264,718	223,111	232,420	681,029	5,280,457

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Plant and machinery RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Total RM'000
COMPANY				
At 1 January 2025/ 31 December 2025				
Cost	**12,154**	**243**	**329**	**12,726**
Accumulated depreciation	**(12,154)**	**(243)**	**(329)**	**(12,726)**
Net book value	**-**	**-**	**-**	**-**
At 1 January 2024/ 31 December 2024				
Cost	12,154	243	343	12,740
Accumulated depreciation	(12,154)	(243)	(343)	(12,740)
Net book value	-	-	-	-

(a) The adjustment relates to the fair value gain arising from the transfer of property, plant and equipment to investment property of a subsidiary.

(b) During the financial year, borrowing costs amounting to RM7,509,000 (2024: RM7,623,000) were capitalised in respect of the construction of plant and buildings at interest rates ranging from 3.99% to 4.99% (2024: 3.99% to 4.99%) per annum.

(c) During the financial year, the Company wrote off certain fully depreciated property, plant and equipment that were no longer in use.

(d) Certain property, plant and equipment of the Group, with carrying amounts of RM1,304,366,000 (2024: RM1,375,552,000), were charged as security for bank borrowings (Notes 37 and 43).

(e) The details of motor vehicles and plant and machinery acquired under hire purchase, which are included under property, plant and equipment of the Group, are as follows:

	2025 RM'000	2024 RM'000
Additions during the financial year:		
- Motor vehicles	**40,131**	54,592
Net book value at the reporting date:		
- Motor vehicles	**132,617**	123,346
- Plant and machinery	**86**	641
	132,703	123,987

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(f) The title deeds for certain landed properties of a subsidiary, with net carrying amounts of RM1,100,000 (2024: RM1,124,000), have yet to be issued in the name of the subsidiary as at the reporting date.

(g) The Government leasehold land and buildings of a postal subsidiary are held under a lease period of 60 years commencing on 1 January 1992. The initial lease period of 30 years expired on 31 December 2021. Both the Government and the postal subsidiary have agreed on the lease rates for the Government leasehold land and buildings for the subsequent 30-year period commencing on 1 January 2022. The lease rates for the Government leasehold land are variable and are subject to the performance of individual post offices located on the Government leasehold land.

(h) As at the reporting date, certain property, plant and equipment and intangible assets were tested for impairment due to the presence of impairment indicators. The recoverable amounts were determined based on the higher of value in use (VIU) or fair value less costs of disposal (FVLCD).

(i) Mobility segment - automotive subsidiary group

During the current financial year, certain vehicle models were tested for impairment following a sales decline due to weaker market demand. Impairment losses of RM112,547,000 and RM236,649,000 were recognised in profit or loss under other expenses, relating to property, plant and equipment and intangible assets, respectively. The recoverable amount of RM354,477,000 was determined based on VIU method.

Key assumptions used in the recoverable amount calculation

The following key assumptions were applied in determining the recoverable amount:

- Revenue growth - The assumptions used to determine future earnings potential are based on product lifecycles, historical sales performance and anticipated future market conditions. The sales volume used in the projections do not assume a significant growth from current levels due to intense competition in the passenger car market, both domestically and overseas.

- Projected gross margins - The projected gross margins reflect the average historical gross margins, adjusted for projected market and economic conditions.

- Discount rate - In measuring the recoverable amounts based on the value in use method, a pre-tax discount rate of 13% (2024: Nil) has been applied. The discount rate is derived from the prevailing independent market rate applicable to the relevant business segment.

Sensitivity to changes in assumptions

An increase of 1.0 percentage point in the discount rate would have decreased the recoverable amounts of the CGU by RM7,188,000.

A decrease of 1.0 percentage point in the sales volume would have decreased the recoverable amounts of the CGU by RM3,545,000.

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(h) (continued)

(ii) Postal segment - postal subsidiary group

Impairment tests were performed as certain CGUs of the postal subsidiary group continued to incur losses during the current financial year.

Postal services and logistics businesses

The carrying amounts of property, plant and equipment of the postal services and logistics businesses with indications of impairment were compared with their recoverable amount based on FVLCD method. No impairment loss was recognised during the current financial year (2024: Nil).

The fair values of property, plant and equipment were estimated using the market comparable approach with unobservable inputs and are categorised within Level 3 of the fair value hierarchy. The significant unobservable inputs used and their sensitivity to fair value are as follows:

Category	Significant unobservable inputs	Sensitivity of the input to fair value
Properties	Market price of property in vicinity compared.	The estimated fair value would increase/ (decrease) if market prices of property were higher/(lower), respectively.
Motor vehicles	Market value of comparable motor vehicles including the model, year of manufacture and specification.	The estimated fair value would increase/ (decrease) if market values of motor vehicles were higher/(lower), respectively.
Vessels	Market value of comparable vessels including the year of manufacture and specification.	The estimated fair value would increase/ (decrease) if market values of vessels were higher/(lower), respectively.

Valuation processes applied by the Group for Level 3 fair value

The fair values of properties and vessels are determined annually by external independent valuers with appropriate recognised professional qualifications and recent experience. Management reviews the valuation results upon receipt of the valuation reports.

The fair values of motor vehicles are based on market value of comparable motor vehicles obtained from various sources, including the Automotive Business Intelligence database and selected trading platforms. Adjustments are made, where necessary, to reflect differences in key attributes such as model, year of manufacture, and specification.

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(h) (continued)

(ii) Postal segment - postal subsidiary group (continued)

<u>Aviation business</u>

In the previous financial year, a reversal of impairment loss of RM11,075,000 was recognised in respect of certain plant and machinery.

(i) During the financial year, management reviewed the condition of certain property, plant and equipment, and specific impairment had been made on property, plant and equipment including right-of-use assets which were charged as other expenses in profit or loss, as follows:

	2025 RM'000	**2024 RM'000**
Logistics	**3,015**	-
Aerospace	**-**	367
Postal services	**-**	5,318
Others	**17**	362
	3,032	6,047

(j) Set out below are the net book values of the Group's assets under operating lease and the movements recognised during the financial year:

	Buildings RM'000	**Plant and machinery RM'000**	**Motor vehicles RM'000**	**Total RM'000**
At 1 January 2025	**44,088**	**641**	**187,691**	**232,420**
Additions	**84**	**-**	**79,535**	**79,619**
Depreciation	**(3,181)**	**(379)**	**(42,381)**	**(45,941)**
Reclassification	**-**	**-**	**5,480**	**5,480**
Transfer to inventories	**-**	**(178)**	**(5,087)**	**(5,265)**
At 31 December 2025	**40,991**	**84**	**225,238**	**266,313**
At 1 January 2024	22,535	1,364	119,565	143,464
Additions	-	-	108,654	108,654
Depreciation	(1,329)	(675)	(27,093)	(29,097)
Reclassification	22,882	-	-	22,882
Transfer to inventories	-	(48)	(13,435)	(13,483)
At 31 December 2024	44,088	641	187,691	232,420

Notes To The Financial Statements
- 31 December 2025

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(k) Set out below are the net book values of the Group's right-of-use assets and the movements recognised during the financial year:

	Leasehold land RM'000	**Buildings RM'000**	**Plant and machinery RM'000**	**Motor vehicles RM'000**	**Office equipment RM'000**	**Total RM'000**
At 1 January 2025	**416,361**	**239,264**	**10,774**	**14,462**	**168**	**681,029**
Acquisition of a subsidiary	**2,662**	**-**	**-**	**-**	**780**	**3,442**
Additions	**11,773**	**57,555**	**13,689**	**460**	**73**	**83,550**
Lease modification	**36**	**13,393**	**(30)**	**-**	**7,517**	**20,916**
Termination	**-**	**(9,813)**	**(290)**	**-**	**(210)**	**(10,313)**
Depreciation	**(34,337)**	**(61,306)**	**(6,764)**	**(3,170)**	**(2,677)**	**(108,254)**
Currency translation differences	**(17)**	**(8)**	**-**	**-**	**191**	**166**
Transfer from investment properties	**(6,657)**	**-**	**-**	**-**	**-**	**(6,657)**
At 31 December 2025	**389,821**	**239,085**	**17,379**	**11,752**	**5,842**	**663,879**
At 1 January 2024	409,010	235,439	7,956	-	3,563	655,968
Additions	25,025	48,664	10,556	18,816	-	103,061
Lease modification	65	32,509	-	3,764	9	36,347
Termination	(7)	(14,376)	(324)	-	(87)	(14,794)
Depreciation	(36,044)	(63,370)	(7,414)	(4,263)	(3,317)	(114,408)
Currency translation differences	-	(3)	-	-	-	(3)
Reclassification	3,454	401	-	(3,855)	-	-
Transfer from investment properties	14,858	-	-	-	-	14,858
At 31 December 2024	416,361	239,264	10,774	14,462	168	681,029

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(l) Material accounting policy information:

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

The estimated useful lives are as follows:

Buildings	
- situated on government land	Over the remaining license period expiring 31 December 2034
- situated on private land	Over the remaining tenure of 3 - 15 years
- situated on own land	50 years
Building improvements and renovations	2 - 50 years
Plant and machinery	2 - 30 years
Motor vehicles	2 - 10 years
Vessels	9 years
Office equipment, furniture and fittings	2 - 10 years

Included in the property, plant and equipment, the Group recognises right-of-use assets at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property, plant and equipment as follows:

Leasehold land	2 - 999 years
Buildings	1 - 50 years
Plant and machinery	2 - 10 years
Motor vehicles	2 - 7 years
Office equipment	3 - 6 years

Notes To The Financial Statements
- 31 December 2025

14 INVESTMENT PROPERTIES

	Note	2025 RM'000	2024 RM'000
At fair value			
Group			
At beginning of the financial year		**467,042**	447,676
Additions		**3**	17,067
Transfer from/(to) property, plant and equipment	13	**172,487**	(9,426)
Changes in fair value	6	**23,838**	13,434
Foreign currency differences		**(876)**	(1,709)
At end of the financial year		**662,494**	467,042
Company			
At beginning/end of the financial year		**126,223**	126,223

(a) The disclosures on income and expenses of investment properties are as below:

	2025 RM'000	2024 RM'000
Group		
Rental income	**25,206**	26,242
Direct operating expenses from investment properties that generated rental income during the financial year	**12,578**	11,454
Direct operating expenses from investment properties that did not generate rental income during the financial year	**1,122**	338
Company		
Rental income	**14,106**	14,121
Direct operating expenses from investment properties that generated rental income during the financial year	**1,752**	1,666

(b) Certain investment properties of the Group and of the Company, with carrying amounts of RM242,647,000 (2024: RM86,421,000) and RM126,223,000 (2024: RM126,223,000), respectively, were charged as security for bank borrowings (Notes 37 and 43).

(c) The title deed for an investment property of a subsidiary, with a net carrying amount of RM3,100,000 (2024: RM3,100,000), is in the process of being registered in its name as of the reporting date.

(d) The fair value measurement of the investment properties is disclosed in Note 55(c)(v).

14 INVESTMENT PROPERTIES (CONTINUED)

(e) Material accounting policy information:

Investment properties are subsequently measured at fair value with any changes therein recognised in profit or loss for the period in which they arise.

15 SUBSIDIARIES

	Note	2025 RM'000	2024 RM'000
Company			
At cost			
Unquoted shares		**9,509,005**	9,473,105
Quoted shares		**605,170**	605,170
		10,114,175	10,078,275
Less: Accumulated impairment losses	(e) & (f)	**(2,563,278)**	(2,812,231)
Sub-total		**7,550,897**	7,266,044
At fair value			
RCCPS		**152,751**	294,233
Redeemable Preference Shares (RPS)		**416,869**	359,053
Sub-total		**569,620**	653,286
Total		**8,120,517**	7,919,330

(a) The details of the subsidiaries are listed in Note 3.

(b) As a condition precedent to the acquisition of 70% equity in Bank Muamalat, Bank Negara Malaysia requires the Company to reduce its investment in Bank Muamalat to 40%. The Company is currently considering various options to address this requirement.

(c) Share of a subsidiary, with a carrying amount of RM42,168,000 (2024: RM42,168,000), have been charged as security for bank borrowings (Notes 37 and 43).

(d) On 24 July 2025, PROTON redeemed 150,000,000 RCCPS, and the redemption was settled in cash amounting to RM150,000,000.

(e) During the financial year, impairment testing was performed on the cost of investment in postal services, education and construction subsidiaries, as these subsidiaries reported continued losses.

Based on the assessment, impairment losses of RM Nil (2024: RM41,325,000), RM25,447,000 (2024: RM29,565,000) and RM3,600,000 (2024: Nil) in respect of the cost of investments in the postal services, education and construction subsidiaries, respectively, were recognised in other expenses in profit or loss.

Notes To The Financial Statements
- 31 December 2025

15 SUBSIDIARIES (CONTINUED)

(e) (continued)

(i) Postal subsidiary group under Postal segment

During the financial year, the recoverable amount of the postal services subsidiary was determined based on the FVLCD calculation. The recoverable amount was derived based on a share price as at the end of reporting period of 31.00 sen (2024: 25.00 sen) less costs of disposal. As the recoverable amount exceeded the carrying amount of the investment, no impairment loss was recognised for the current financial year.

A decrease of 0.5 percentage point in the share price would have decreased the FVLCD by RM2,614,000 (2024: RM2,108,000).

(ii) Education subsidiary under Services segment

The recoverable amount of the education subsidiary was determined based on the VIU calculation. The cash flow projections were prepared based on recent financial budgets covering a five-year period, together with a terminal value using a terminal growth rate of 1% (2024: 1%). The pre-tax discount rate applied to the cash flow projections was 12.00% (2024: 12.00%) per annum. Based on the assessment, the cost of investment in the education subsidiary amounting to RM25,447,000 (2024: RM29,565,000) was fully impaired, based on the recoverable amount determined using the VIU calculation.

Key assumptions used in the cash flow projections

The key assumptions applied in preparing the cash flow projections are as follows:

- Business analysis - Assumptions relating to student enrolment demand, programme mix, tuition fee structures and expected student attrition rates were used to project revenue streams. These assumptions take into consideration academic cycles and expected intake trends across the subsidiary's education programmes.

- Discount rate - The discount rate was determined based on the weighted average cost of capital and market-based risk factors applicable to the education sector.

- Terminal growth rate - The terminal growth rate is based on long-term industry growth expectations and does not exceed the average long-term growth rate for the education sector.

- Economic projections - Assumptions relating to general economic conditions were applied in estimating future enrolment volumes and operating cost levels.

15 SUBSIDIARIES (CONTINUED)

(e) (continued)

(ii) Education subsidiary under Services segment (continued)

Sensitivity to changes in assumptions - Education subsidiary

i. An increase of 0.5 percentage point in the discount rate would have decreased the VIU by RM5,844,000 (2024: RM8,412,000).

ii. A decrease of 0.5 percentage point in the terminal growth rate would have decreased the VIU by RM3,767,000 (2024: RM5,533,000).

(iii) Construction subsidiary under Properties segment

The recoverable amount of the construction subsidiary of RM182,371,000 (2024: RM208,227,000) was determined based on the VIU calculation. The cash flow projections were prepared based on recent financial budgets covering a five-year period and applying a terminal value multiple using a terminal growth rate of 0%. The pre-tax discount rate applied to the cash flow projections was 11.65% per annum.

Key assumptions used in the cash flow projections

The key assumptions applied in preparing the cash flow projections are as follows:

- Business analysis - Assumptions relating to contracted construction works, scheduled concession maintenance revenue, and projected sales from the mixed development project were applied. These assumptions are based on gross development value, sales phasing and expected construction timelines.

- Discount rate - The discount rate was determined based on the weighted average cost of capital and market-based risk factors applicable to construction, concession and property development activities.

- Terminal growth rate - The terminal growth rate is based on long-term industry growth expectations and does not exceed the average long-term growth rate for the construction and property sectors.

- Economic projections - Macroeconomic assumptions including gross domestic product growth, inflation, construction cost escalation and market demand outlook, were incorporated in estimating future cash flows, with reference to external industry and economic forecasts.

Sensitivity to changes in assumptions - Construction subsidiary

An increase of 0.5 percentage point in the discount rate would have decreased the VIU by RM2,795,000.

Based on the assessment, an impairment loss of RM3,600,000 in respect of the cost of investment in the construction subsidiary was recognised in other expenses in profit or loss.

15 SUBSIDIARIES (CONTINUED)

(f) Automotive subsidiary under Mobility segment

In previous financial years, the Company's investment in an automotive subsidiary was impaired due to continued losses reported. In recent years, the automotive subsidiary has shown improvement in financial performance arising from various initiatives implemented, including the introduction of new models, cost-cutting measures, improvements in after-sales services and continuous quality improvement, with active support from its shareholders.

During the financial year, the Company assessed the recoverable amount of the automotive subsidiary, which resulted in a reversal of impairment loss amounting to RM278,000,000 (2024: RM255,000,000). The recoverable amount of RM1,938,000,000 (2024: RM1,660,000,000) was determined based on the VIU calculation.

The cash flow projections were prepared based on recent financial budgets covering a five-year period, together with a terminal value using a terminal growth rate of 1.00% (2024: 1.00%). The pre-tax discount rate applied to the cash flow projections was 13.00% (2024: 13.00%) per annum.

Key assumptions used in the cash flow projections

The key assumptions applied in preparing the cash flow projections are as follows:

- Business analysis - Assumptions relating to market demand for vehicles were used to project sales volumes and product mix, taking into consideration the projected lifecycle of the vehicle models.

- Discount rate - The discount rate was applied to domestic and export sales based on prevailing independent market rates applicable to the business segment.

- Terminal growth rate - The terminal growth rate is based on published industry research and does not exceed the long-term average growth rate of the relevant industries.

- Economic projections - Assumptions relating to general economic conditions were applied in estimating industry sales volume. Other macroeconomic assumptions, including material prices, inflation rates, interest rates and foreign currency exchange rates, were also considered.

Sensitivity to changes in assumptions - Automotive subsidiary

i. An increase of 0.5 percentage point in the discount rate would have decreased the VIU by RM89,422,000 (2024: RM106,297,000).

ii. A decrease of 0.5 percentage point in the terminal growth rate would have decreased the VIU by RM57,193,000 (2024: RM72,729,000).

15 SUBSIDIARIES (CONTINUED)

(g) The Group's subsidiaries with material non-controlling interests (NCI), based on effective equity interest, are as follows:

	2025	2024
PROTON	**49.90%**	49.90%
Pos Malaysia	**46.50%**	46.50%
Bank Muamalat	**30.00%**	30.00%

	PROTON RM'000	**Pos Malaysia RM'000**	**Bank Muamalat RM'000**	**Others RM'000**	**Total RM'000**
2025					
Carrying value of NCI	**348,385**	**(17,294)**	**1,014,885**	**96,404**	**1,442,380**
Net profit/(loss) for the financial year attributable to NCI	**193,057**	**(95,547)**	**48,941**	**7,206**	**153,657**
Total comprehensive income/(loss) for the financial year attributable to NCI	**193,068**	**(95,772)**	**62,425**	**7,206**	**166,927**
2024					
Carrying value of NCI	173,358	78,478	959,109	99,099	1,310,044
Net profit/(loss) for the financial year attributable to NCI	112,373	(89,099)	24,256	(1,539)	45,991
Total comprehensive income/(loss) for the financial year attributable to NCI	112,409	(89,242)	25,119	(1,539)	46,747

Notes To The Financial Statements
- 31 December 2025

15 SUBSIDIARIES (CONTINUED)

(h) The summarised financial information (before inter-company eliminations) of these subsidiaries with material NCI, not adjusted for the Group's ownership interests, is as follows:

	PROTON	Pos Malaysia	Bank Muamalat
	RM'000	RM'000	RM'000
2025			
Non-current assets	**4,602,108**	**1,037,532**	**36,407,404**
Current assets	**3,690,797**	**910,405**	**9,299,901**
Non-current liabilities	**(1,839,851)**	**(99,905)**	**(2,460,827)**
Current liabilities	**(2,867,107)**	**(1,758,786)**	**(39,560,675)**
Net assets	**3,585,947**	**89,246**	**3,685,803**
Financial year ended 31 December 2025			
Revenue	**10,120,255**	**1,839,201**	**2,229,180**
Net profit/(loss) for the financial year	**385,771**	**(207,915)**	**164,139**
Total comprehensive income/(loss) for the financial year	**385,792**	**(208,398)**	**209,084**
Cash inflow/(outflow) from operating activities	**1,781,931**	**(44,712)**	**1,047,420**
Cash outflow from investing activities	**(262,601)**	**(67,947)**	**(169,178)**
Cash (outflow)/inflow from financing activities	**(223,376)**	**124,389**	**(406,649)**
Net increase in cash and cash equivalents	**1,295,954**	**11,730**	**471,593**
2024			
Non-current assets	4,929,965	1,098,975	32,685,090
Current assets	2,910,879	905,157	10,976,769
Non-current liabilities	(1,998,037)	(248,344)	(2,509,356)
Current liabilities	(2,455,535)	(1,458,144)	(37,653,564)
Net assets	3,387,272	297,644	3,498,939

15 SUBSIDIARIES (CONTINUED)

(h) The summarised financial information (before inter-company eliminations) of these subsidiaries with material NCI, not adjusted for the Group's ownership interests, is as follows: (continued)

	PROTON	Pos Malaysia	Bank Muamalat
	RM'000	RM'000	RM'000
Financial year ended 31 December 2024			
Revenue	9,316,243	1,852,991	2,140,474
Net profit/(loss) for the financial year	218,147	(201,552)	86,141
Total comprehensive income/(loss) for the financial year	218,220	(201,860)	84,785
Cash inflow/(outflow) from operating activities	1,532,194	(1,435)	(35,306)
Cash outflow from investing activities	(1,169,291)	(42,571)	(792,903)
Cash (outflow)/inflow from financing activities	(609,702)	(1,427)	407,784
Net decrease in cash and cash equivalents	(246,799)	(45,433)	(420,425)

(i) Material accounting policy information:

The Group elects to measure the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

In the Company's separate financial statements, investments in subsidiaries, except for RCCPS and RPS, are measured at cost less any impairment losses. The Company has elected to classify the RCCPS and RPS as financial assets at fair value through other comprehensive income. Accordingly, any change in their respective fair value will be recognised through other comprehensive income to reserve. The fair value measurement of the RCCPS and RPS are disclosed in Note 55(c).

Notes To The Financial Statements
- 31 December 2025

16 JOINT VENTURES

	2025 RM'000	2024 RM'000
Group		
Share of net assets	**594,920**	562,024
Company		
Unquoted shares, at cost	**103,444**	103,444

(a) The details of the joint ventures, all of which are unquoted, are listed in Note 3.

(b) None of the Group's joint ventures is material, individually or in aggregate, to the financial position, financial performance and cash flows of the Group.

(c) The summarised financial information of the joint ventures, not adjusted for the Group's proportion of ownership interests, is as follows:

	2025 RM'000	2024 RM'000
Non-current assets	**5,513,324**	5,022,121
Current assets	**3,036,592**	2,977,055
Non-current liabilities	**(5,022,224)**	(4,547,698)
Current liabilities	**(2,345,882)**	(2,331,535)
Net assets	**1,181,810**	1,119,943
Revenue	**4,937,622**	4,691,820
Expenses	**(4,636,858)**	(4,428,098)
Profit before taxation	**300,764**	263,722
Taxation	**(70,932)**	(64,025)
Net profit	**229,832**	199,697
Other comprehensive loss	**(1,555)**	(1,065)
Total comprehensive income	**228,277**	198,632

16 JOINT VENTURES (CONTINUED)

(d) The summarised financial information based on the Group's interest in joint ventures for the financial year is as follows:

	2025 RM'000	2024 RM'000
Non-current assets	**2,774,207**	2,532,883
Current assets	**1,503,082**	1,479,309
Non-current liabilities	**(2,512,366)**	(2,280,684)
Current liabilities	**(1,170,003)**	(1,169,484)
Net assets	**594,920**	562,024
Net profit	**115,745**	97,777
Other comprehensive loss	**(700)**	(511)
Total comprehensive income	**115,045**	97,266
Cash dividends received by the Group	**66,678**	160,247

(e) Capital commitments for property, plant and equipment

	2025 RM'000	2024 RM'000
- Contracted for	**1,095**	1,394
- Not contracted for	**16,403**	22,125
	17,498	23,519

(f) There is no material contingency relating to joint ventures.

(g) Material accounting policy information:

In the Company's separate financial statements, investments in joint ventures are measured at cost less any impairment losses.

17 ASSOCIATES

	2025 RM'000	2024 RM'000
Group		
Share of net assets	**938,854**	1,015,820
Company		
Unquoted shares, at cost	**57,803**	57,803
Less: Accumulated impairment losses	**(3)**	(3)
	57,800	57,800

Notes To The Financial Statements
- 31 December 2025

17 ASSOCIATES (CONTINUED)

(a) The details of the associates, all of which are unquoted, are listed in Note 3.

(b) The Group's material associate, based on effective equity interest, is as follows:

Effective equity interest held by the Group	2025	2024
Honda Malaysia Sdn. Bhd. ("Honda Malaysia")	**34.00%**	34.00%

(c) The summarised financial information of the associates, not adjusted for the Group's proportion of ownership interests, is as follows:

	Honda Malaysia RM'000	Others RM'000	Total RM'000
2025			
Non-current assets	**783,870**	**813,134**	**1,597,004**
Current assets	**2,857,183**	**919,093**	**3,776,276**
Non-current liabilities	**(278,094)**	**(457,971)**	**(736,065)**
Current liabilities	**(1,535,881)**	**(624,866)**	**(2,160,747)**
Net assets	**1,827,078**	**649,390**	**2,476,468**
Financial year ended 31 December 2025			
Revenue	**7,532,702**	**1,160,786**	**8,693,488**
Expenses	**(7,143,426)**	**(973,238)**	**(8,116,664)**
Profit before taxation	**389,276**	**187,548**	**576,824**
Taxation	**(124,784)**	**(40,214)**	**(164,998)**
Net profit representing total comprehensive income	**264,492**	**147,334**	**411,826**
2024			
Non-current assets	827,569	576,761	1,404,330
Current assets	2,903,653	803,459	3,707,112
Non-current liabilities	(259,222)	(238,496)	(497,718)
Current liabilities	(1,491,414)	(649,538)	(2,140,952)
Net assets	1,980,586	492,186	2,472,772

17 ASSOCIATES (CONTINUED)

(c) The summarised financial information of the associates, not adjusted for the Group's proportion of ownership interests, is as follows: (continued)

	Honda Malaysia RM'000	Others RM'000	Total RM'000
Financial year ended 31 December 2024			
Revenue	8,936,772	974,456	9,911,228
Expenses	(8,426,167)	(770,211)	(9,196,378)
Profit before taxation	510,605	204,245	714,850
Taxation	(158,944)	(32,903)	(191,847)
Net profit representing total comprehensive income	351,661	171,342	523,003

(d) The summarised financial information based on the Group's interest in associates for the financial year is as follows:

	Honda Malaysia RM'000	Others RM'000	Total RM'000
2025			
Group's share of net assets represents carrying value of Group's interest in associates	**621,206**	**317,648**	**938,854**
Financial year ended 31 December 2025			
Group's share of net profit representing total comprehensive income	**89,927**	**52,055**	**141,982**
Cash dividends received by the Group	**142,120**	**67,491**	**209,611**

17 ASSOCIATES (CONTINUED)

(d) The summarised financial information based on the Group's interest in associates for the financial year is as follows: (continued)

	Honda Malaysia RM'000	Others RM'000	Total RM'000
2024			
Group's share of net assets represents carrying value of Group's interest in associates	673,399	342,421	1,015,820
Financial year ended 31 December 2024			
Group's share of net profit representing total comprehensive income	119,565	39,457	159,022
Cash dividends received by the Group	123,420	39,710	163,130

(e) Capital commitments for property, plant and equipment

	2025 RM'000	2024 RM'000
- Contracted for	**7,046**	1,203
- Not contracted for	**3,065**	15,688
	10,111	16,891

(f) There is no material contingency relating to associates.

(g) The accumulated share of losses that have not been recognised by the Group amounted to RM11,805,000 (2024: RM11,803,000). The Group has no obligation in respect of these losses.

(h) Material accounting policy information:

In the Company's separate financial statements, investments in associates are measured at cost less any impairment losses.

18 INTANGIBLE ASSETS

	Note	Goodwill RM'000	Computer software RM'000	Product development expenditure RM'000	Capitalised development cost in-progress RM'000	Total RM'000
Group						
At 1 January 2025		78,379	163,130	1,152,528	231,992	1,626,029
Additions		-	7,209	492	476,246	483,947
Amortisation	6	-	(61,377)	(504,762)	-	(566,139)
Write-off	6	-	(265)	-	-	(265)
Impairment loss	6	-	-	(236,649)	-	(236,649)
Transfer from/(to) property, plant and equipment	13	-	87,475	293,706	(465,306)	(84,125)
At 31 December 2025		78,379	196,172	705,315	242,932	1,222,798
Cost		697,610	832,039	3,939,757	429,741	5,899,147
Accumulated amortisation		-	(635,775)	(2,918,110)	-	(3,553,885)
Accumulated impairment losses		(619,231)	(92)	(316,332)	(186,809)	(1,122,464)
Net book value		78,379	196,172	705,315	242,932	1,222,798

18 INTANGIBLE ASSETS (CONTINUED)

	Note	Goodwill RM'000	Computer software RM'000	Product development expenditure RM'000	Capitalised development cost in-progress RM'000	Total RM'000
Group						
At 1 January 2024		76,802	136,174	1,412,988	333,961	1,959,925
Acquisition of a subsidiary	48(iii)(f)	1,577	-	-	-	1,577
Additions		-	17,138	462	178,251	195,851
Disposal		-	(73)	-	-	(73)
Amortisation	6	-	(52,126)	(428,802)	-	(480,928)
Write-off	6	-	-	(4,501)	(4)	(4,505)
Reclassification		-	35,800	647	(36,447)	-
Transfer from/(to) property, plant and equipment	13	-	26,217	171,734	(243,769)	(45,818)
At 31 December 2024		78,379	163,130	1,152,528	231,992	1,626,029
Cost		697,610	744,811	3,647,084	418,801	5,736,174
Accumulated amortisation		-	(581,589)	(2,414,873)	-	(3,051,533)
Accumulated impairment losses		(619,231)	(92)	(79,683)	(186,809)	(1,058,612)
Net book value		78,379	163,130	1,152,528	231,992	1,626,029

18 INTANGIBLE ASSETS (CONTINUED)

(a) For the purpose of annual impairment testing of goodwill, the carrying amount has been allocated to five (2024: five) CGUs of the Group, identified based on the respective businesses, as follows:

	2025 RM'000	2024 RM'000
Construction and leasing	**48,132**	48,132
Aviation	**16,648**	16,648
Banking	**10,050**	10,050
Leasing of motor vehicles	**1,972**	1,972
Security services	**1,577**	1,577
	78,379	78,379

The recoverable amounts were determined based on the higher of VIU or FVLCD calculation. During the financial year, management carried out an impairment assessment and no impairment loss of goodwill was recognised in profit or loss.

(b) During the financial year, the CGU relating to product development expenditure of an automotive subsidiary group was tested for impairment, as disclosed in Note 13(h)(i).

(c) Material accounting policy information:

Intangible assets, other than goodwill, that are separately identifiable and acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is recognised in cost of sales or administrative expenses on a straight-line basis over the estimated useful lives of each component of intangible assets from the date that they are available for use. The capitalised development cost in-progress is not amortised until the completion of the development project and commencement of commercial production.

The estimated useful lives are as follows:

Computer software costs	2 - 10 years
Capitalised product development expenditure - vehicles	5 - 10 years
Capitalised product development expenditure - mechanical parts	10 years

Notes To The Financial Statements
– 31 December 2025

19 DEFERRED TAXATION

	Note	2025 RM'000	2024 RM'000
Group			
At beginning of the financial year		**131,485**	107,795
Acquisition of a subsidiary	48(i)(d)	**3,350**	-
Foreign currency differences		**(16)**	116
Credited/(charged) to profit or loss	10		
- Capital allowance		**(243,382)**	72,645
- Financing of customers		**5,439**	1,719
- Future taxable profits		**(7,672)**	5,115
- Intangible assets		**68,067**	107,449
- Inventories		**2,567**	-
- Investment properties		**(2,874)**	(2,494)
- Investment tax allowance		**(28,180)**	1,022
- Other temporary differences		**24,261**	3,382
- Property, plant and equipment		**(38,557)**	(114,436)
- Provisions		**195,220**	(56,790)
- Receivables		**(2,937)**	4,204
- Tax losses		**115,741**	1,834
		87,693	23,650
Charged to other comprehensive income	10		
- Fair value changes of investment securities: financial assets at FVOCI		**(15,047)**	(76)
At end of the financial year		**207,465**	131,485
Subject to income tax			
Deferred tax assets (before offsetting)			
Capital allowances		**100,779**	344,161
Financing of customers		**29,781**	24,342
Inventories		**4,389**	1,822
Investment securities		**-**	5,362
Investment tax allowance		**25,013**	53,193
Other temporary differences		**36,623**	12,362
Property, plant and equipment		**39,312**	32,431
Provisions		**419,041**	220,487
Receivables		**754**	705
Tax losses		**150,975**	35,234
		806,667	730,099
Offsetting		**(345,311)**	(366,921)
Deferred tax assets (after offsetting)		**461,356**	363,178

19 DEFERRED TAXATION (CONTINUED)

	Note	2025 RM'000	2024 RM'000
Group			
Subject to income tax			
Deferred tax liabilities (before offsetting)			
Future taxable profits		**(196,457)**	(188,785)
Intangible assets		**(74,683)**	(142,750)
Investment properties		**(27,139)**	(24,265)
Investment securities		**(9,685)**	-
Property, plant and equipment		**(288,146)**	(242,708)
Receivables		**(3,092)**	(106)
		(599,202)	(598,614)
Offsetting		**345,311**	366,921
Deferred tax liabilities (after offsetting)		**(253,891)**	(231,693)
Presented after appropriate offsetting as follows:			
Deferred tax assets		**461,356**	363,178
Deferred tax liabilities		**(253,891)**	(231,693)
		207,465	131,485
Company			
At beginning of the financial year		**(12,079)**	(13,905)
Credited/(charged) to profit or loss	10		
- Investment properties		**(1,413)**	(1,414)
- Receivables		**-**	3,240
		(1,413)	1,826
At end of the financial year		**(13,492)**	(12,079)
Subject to income tax			
Deferred tax liabilities			
- Investment properties		**(13,492)**	(12,079)

Material accounting policy information

Where investment properties are carried at fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the asset and liabilities, using tax rate enacted at the reporting date.

Notes To The Financial Statements
- 31 December 2025

20 INVESTMENT SECURITIES

(a) Investment securities: financial assets at FVTPL

	2025 RM'000	2024 RM'000
Group		
Banking – held by a banking subsidiary		
Unquoted Securities		
Private equity funds	**10,195**	75,187
Malaysian Government Investment Certificate	**50,576**	-
Unit trusts	**21,597**	7,188
Islamic Private Debt Securities	**-**	7,700
Total (Current)	**82,368**	90,075
Non-banking – held by other subsidiary		
Fund investment	**29,385**	5,698
Unquoted shares in Malaysia	**6,379**	6,379
	35,764	12,077
Non-current	**6,379**	6,379
Current	**29,385**	5,698
	35,764	12,077

(b) Investment securities: financial assets at FVOCI

	2025 RM'000	2024 RM'000
Group		
Banking – held by a banking subsidiary		
Debt instruments		
Malaysian Government Investment Certificate	**5,290,606**	3,932,518
Quoted Securities		
Shares in Malaysia	**84,863**	136,877
Unquoted Securities		
Islamic Private Debt Securities	**1,753,436**	2,671,595
Cagamas sukuk	**764,164**	749,164
Shares in Malaysia	**4,631**	4,631
Total	**7,897,700**	7,494,785

20 INVESTMENT SECURITIES (CONTINUED)

(b) Investment securities: financial assets at FVOCI (continued)

	2025 RM'000	2024 RM'000
Group		
<u>Banking – held by a banking subsidiary</u> (continued)		
Non-current	**6,348,706**	6,524,060
Current	**1,548,994**	970,725
	7,897,700	7,494,785
<u>Non-banking – held by other subsidiaries</u>		
<u>Unquoted Securities</u>		
Shares in Malaysia	**56,928**	55,758
Shares outside Malaysia	**21,582**	19,828
Total (Non-current)	**78,510**	75,586

(c) The currency exposure profile of investment securities is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**8,006,113**	7,522,218
- US Dollar	**88,229**	150,305
Total	**8,094,342**	7,672,523

(d) Material accounting policy information:

The Group has opted for the irrevocable election at initial recognition for particular investment in equity instruments that would be measured at FVOCI with no recycling of cumulative gains or losses that had been recognised in other comprehensive income to profit or loss upon disposal. Upon option for the irrevocable election has been made at initial application, the Group shall apply for the accounting treatment consistently. This election is made on investment-by-investment basis.

<u>Government financing scheme and government financing facility held by a banking subsidiary</u>

Financing under a government scheme is recognised and measured in accordance with MFRS 9 *Financial Instruments*, with the benefit at a below market and concession rate measured as the difference between the initial carrying amount or fair value of the financing and the amount received. The Government financing facility is measured in accordance with the amount received.

The benefit of a financing or a facility under a government scheme that addresses identified costs or expenses incurred by the banking subsidiary is recognised in the

Notes To The Financial Statements
– 31 December 2025

20 INVESTMENT SECURITIES (CONTINUED)

(d) Material accounting policy information: (continued)

Government financing scheme and government financing facility held by a banking subsidiary (continued)

profit or loss in the same financial period when the costs or expenses are recognised, and when the required conditions are fulfilled in accordance with MFRS 120 *Accounting for Government Grants and Disclosure of Government Assistance*.

21 OTHER ASSETS

	2025 RM'000	2024 RM'000
Group		
Golf memberships, at cost less accumulated impairment	**2,617**	2,618

22 BANKING-RELATED ASSETS - FINANCING OF CUSTOMERS

	2025 RM'000	2024 RM'000
Group		
Cash line	**838,055**	639,324
Term financing		
- Home financing	**12,745,841**	12,004,205
- Hire purchase receivables	**3,158,741**	2,253,200
- Syndicated financing	**442,048**	482,076
- Personal financing	**7,989,549**	8,409,232
- Other term financing	**3,743,265**	4,183,094
Revolving financing	**1,944,123**	1,948,330
Claims on customers under acceptance credits	**1,468,705**	1,223,469
Staff financing	**167,127**	137,887
Trust receipts	**31,365**	51,468
Ar-Rahnu	**969,964**	551,566
Credit card	**185,159**	105,248
Fair value changes arising from fair value hedge	**7,763**	10,868
	33,691,705	31,999,967
Less: Allowance for impaired financing:		
- Stage 1 - 12-month expected credit losses (ECL)	**(107,889)**	(119,844)
- Stage 2 - Lifetime ECL not credit impaired	**(82,292)**	(37,239)
- Stage 3 - Lifetime ECL credit impaired	**(154,658)**	(98,189)
Total net financing	**33,346,866**	31,744,695

22 BANKING-RELATED ASSETS - FINANCING OF CUSTOMERS (CONTINUED)

	2025 RM'000	2024 RM'000
Group		
Non-current	**29,363,919**	25,151,758
Current	**3,982,947**	6,592,937
	33,346,866	31,744,695

(a) Included in total net financing is financing at fair value through profit or loss amounting to RM288,554,000 (2024: RM337,972,000), which mainly comprises a financing facility established by Bank Negara Malaysia to provide relief and support recovery for the recovery of small and medium enterprises ("SMEs") in the services sector affected by the containment measures since June 2020.

(b) The currency exposure profile of financing of customers is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**33,344,489**	31,726,667
- US Dollar	**2,377**	18,028
Total	**33,346,866**	31,744,695

(c) The table below shows the credit quality for financing of customers exposed to credit risk, based on the banking subsidiary's internal credit ratings:

	2025 RM'000	2024 RM'000
Neither past due nor impaired		
- Good	**30,837,127**	29,899,833
- Satisfactory	**1,435,288**	1,015,314
1 to 60 days past due not impaired	**907,669**	736,847
61 to 90 days past due not impaired	**24,330**	6,794
Past due not impaired	**931,999**	743,641
Impaired	**487,291**	341,179
Sub-total	**33,691,705**	31,999,967
Allowance for impaired financing	**(344,839)**	(255,272)
	33,346,866	31,744,695

22 BANKING-RELATED ASSETS - FINANCING OF CUSTOMERS (CONTINUED)

(c) (continued)

Financing of customers that are neither past due nor impaired

Financing of customers which are neither past due nor impaired are identified into two grades. Good grade refers to financing of customers which are neither past due nor impaired in the last six months and have never undergone any rescheduling or restructuring exercise previously. Satisfactory grade refers to financing of customers which may have been past due but not impaired or impaired during the last six months or have undergone a rescheduling or restructuring exercise previously.

Financing of customers that are past due but not impaired

Financing of customers which are past due but not impaired refers to customers who have failed to make principal or profit payment or both after the contractual due date for more than one day but less than three months.

Financing of customers that are impaired

Financing of customers which are impaired refers to customers that have failed to make principal or profit payment or both after the contractual due date for more than three months. These balances will be assessed under Stage 3 - Lifetime ECL credit impairment of the ECL model.

(d) The movements of the allowance for impaired financing during the financial year are as follows:

	Stage 1 - 12-month ECL	**Stage 2 - Lifetime ECL not credit impaired**	**Stage 3 - Lifetime ECL credit impaired**	**Total**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Group				
At 1 January 2025	**119,844**	**37,239**	**98,189**	**255,272**
Transferred to Stage 1	**25,240**	**(11,402)**	**(13,838)**	**-**
Transferred to Stage 2	**(12,586)**	**22,012**	**(9,426)**	**-**
Transferred to Stage 3	**(30,596)**	**(5,532)**	**36,128**	**-**
Changes in credit risk	**(33,929)**	**41,188**	**137,596**	**144,855**
New financing originated	**55,079**	**-**	**-**	**55,079**
Financing derecognised	**(15,163)**	**(1,213)**	**(3,502)**	**(19,878)**
Written off	**-**	**-**	**(90,489)**	**(90,489)**
At 31 December 2025	**107,889**	**82,292**	**154,658**	**344,839**

22 BANKING-RELATED ASSETS - FINANCING OF CUSTOMERS (CONTINUED)

(d) The movements of the allowance for impaired financing during the financial year are as follows: (continued)

	Stage 1 - 12-month ECL	Stage 2 - Lifetime ECL not credit impaired	Stage 3 - Lifetime ECL credit impaired	Total
	RM'000	RM'000	RM'000	RM'000
Group				
At 1 January 2024	120,238	23,258	79,024	222,520
Transferred to Stage 1	14,360	(5,978)	(8,382)	-
Transferred to Stage 2	(10,476)	21,390	(10,914)	-
Transferred to Stage 3	(14,601)	(2,751)	17,352	-
Changes in credit risk	(33,953)	1,896	184,380	152,323
New financing originated	60,777	-	-	60,777
Financing derecognised	(16,501)	(576)	(1,916)	(18,993)
Written off	-	-	(161,355)	(161,355)
At 31 December 2024	119,844	37,239	98,189	255,272

(e) Collateral and other credit enhancements

The amount and type of collateral required depends on assessment of credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters. The collateral obtained by the banking subsidiary are charges over properties and vehicles under financing, pledges over investment securities and charges over the business assets.

The financial effect of collateral (i.e., quantification of the extent to which collateral and other credit enhancements mitigate credit risk) held for financing of customers for the banking subsidiary is at 51.08% as at the reporting date (2024: 51.24%).

As at the reporting date, the fair value of collateral that the banking subsidiary holds relating to financing of customers individually determined to be impaired amounted to RM76,965,000 (2024: RM83,639,000). The collateral consists of cash, securities, letters of guarantee and properties.

(f) Repossessed collateral

It is the banking subsidiary's policy that dictates disposal of repossessed collateral to be carried out in an orderly manner. The proceeds are used to reduce or pay the outstanding balance of financing. Collateral repossessed is subject to disposal as soon as it is practicable to do so. At the reporting date, the banking subsidiary does not occupy repossessed properties for its own business use.

23 BANKING-RELATED ASSETS - STATUTORY DEPOSIT WITH BANK NEGARA MALAYSIA

The statutory deposit is maintained with Bank Negara Malaysia in compliance with Section 26(2)(c) and Section 26(3) of the Central Bank of Malaysia Act 2009, the amount of which is determined at set percentages of total eligible liabilities.

24 INVENTORIES

	Note	2025 RM'000	2024 RM'000
Group			
Raw materials		**1,021,504**	815,670
Work-in-progress		**283,806**	127,178
Finished goods		**624,323**	566,892
Goods-in-transit		**198,263**	174,297
Parts and accessories		**181,482**	212,646
Land held for property development	(a)	**2,214,011**	2,091,400
Property development costs	(b)	**65,194**	107,940
Completed units of unsold properties/land		**45,741**	21,633
		4,634,324	4,117,656
Non-current		**2,214,011**	2,091,400
Current		**2,420,313**	2,026,256
		4,634,324	4,117,656

(a) Land held for property development

	Note	2025 RM'000	2024 RM'000
At beginning of the financial year			
Land		**2,035,237**	2,038,234
Development costs		**56,163**	73,521
		2,091,400	2,111,755
Add: Costs incurred during the financial year			
- Land		**111,890**	3,793
- Development costs		**5,736**	3,355
		117,626	7,148
Transfer from/(to) property development costs			
- Land		**-**	(4,759)
- Development costs		**4,985**	(20,713)
	(b)	**4,985**	(25,472)
Write-down during the financial year			
- Land		**-**	(2,031)
At end of the financial year		**2,214,011**	2,091,400

24 INVENTORIES (CONTINUED)

	Note	2025 RM'000	2024 RM'000
(a) Land held for property development (continued)			
At end of the financial year			
Land		**2,147,127**	2,035,237
Development costs		**66,884**	56,163
		2,214,011	2,091,400

(i) During the financial year, a subsidiary received land titles for three parcels of exchange land amounting to RM111,890,000 from the Government of Malaysia as consideration for the construction of infrastructure and a broadcast system under the Concession Agreement.

(ii) Certain land held for property development of the Group, with carrying amounts of RM822,374,000 (2024: RM867,466,000), was charged as security for bank borrowings (Notes 37 and 43).

	Note	2025 RM'000	2024 RM'000
(b) Property development costs			
At beginning of the financial year			
Land		**37,740**	332,553
Development costs		**211,484**	386,805
Accumulated costs charged to profit or loss		**(141,284)**	(650,317)
		107,940	69,041
Less: Completed developments in previous years			
- Land		**(14,202)**	(298,093)
- Development costs		**(18,046)**	(265,080)
- Accumulated costs charged to profit or loss		**32,248**	563,173
		-	-
Add: Costs incurred during the financial year			
- Land		**212**	-
- Development costs		**63,250**	82,410
		63,462	82,410
Transfer to inventories			
- Land		**(7,535)**	(62)
- Development costs		**(53,967)**	(2,246)
		(61,502)	(2,308)

Notes To The Financial Statements
- 31 December 2025

24 INVENTORIES (CONTINUED)

	Note	2025 RM'000	2024 RM'000
(b) Property development costs (continued)			
Transfer (to)/from land held for property development			
- Land		**-**	4,759
- Development costs		**(4,985)**	20,713
	(a)	**(4,985)**	25,472
Transfer to property, plant and equipment			
- Land		**-**	(1,417)
- Development costs		**-**	(11,118)
	13	**-**	(12,535)
Less: Costs recognised as expense in profit or loss during the financial year		**(39,721)**	(54,140)
At end of the financial year		**65,194**	107,940
At end of the financial year			
Land		**16,215**	37,740
Development costs		**197,736**	211,484
Accumulated costs charged to profit or loss		**(148,757)**	(141,284)
		65,194	107,940

(c) Material accounting policy information:

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is principally determined on a first-in first-out or weighted average basis depending on the nature of inventories.

25 TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current					
Trade receivables	(b)	**300**	19,101	**-**	-
Other receivables	(c)	**18,057**	35,880	**651,197**	609,935
Lease receivables		**1,087**	-	**-**	-
Contract assets	(e)	**1,374,802**	1,508,808	**-**	-
		1,394,246	1,563,789	**651,197**	609,935

25 TRADE AND OTHER RECEIVABLES (CONTINUED)

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
Current					
Trade receivables	(b)	**2,348,840**	1,838,284	**-**	-
Other receivables	(c)	**384,467**	321,089	**725,502**	401,761
Lease receivables		**1,158**	-	**-**	-
Contract assets	(e)	**177,022**	175,480	**-**	-
Contract cost assets	(f)	**-**	258	**-**	-
		2,911,487	2,335,111	**725,502**	401,761
Total		**4,305,733**	3,898,900	**1,376,699**	1,011,696

(a) Certain receivables of the Group have been charged as security for bank borrowings (Notes 37 and 43).

(b) Trade receivables of the Group are analysed as follows:

	2025		2024	
	Non-current	Current	Non-current	Current
	RM'000	RM'000	RM'000	RM'000
Group				
Third parties	**-**	**1,867,728**	-	1,399,347
Amount due from:				
- joint ventures	**-**	**104,417**	-	115,421
- associates	**-**	**31,909**	-	32,169
- related parties	**-**	**51,760**	18,971	27,256
Warranty receivables	**-**	**192,637**	-	171,694
Accrued receivables	**-**	**21,129**	-	10,783
Deposits	**-**	**53,210**	-	59,484
Prepayments	**300**	**25,519**	130	21,059
Others	**-**	**531**	-	1,071
	300	**2,348,840**	19,101	1,838,284

(i) Trade receivables of the Group are non-interest-bearing and are recognised at their original invoice amounts, which represent their fair values on initial recognition. The Group's normal trade credit terms are disclosed in Note 4(a) to the financial statements. Other credit terms are assessed and approved on a case-by-case basis.

25 TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Other receivables of the Group and of the Company are analysed as follows:

	2025		2024	
	Non-current	Current	Non-current	Current
	RM'000	RM'000	RM'000	RM'000
Group				
Third parties	**264**	**152,824**	348	143,648
Amount due from:				
- joint ventures	**8,400**	**9,826**	18,600	9,540
- associates	**-**	**7,742**	-	12,880
- related parties	**-**	**906**	-	2,281
Dividend receivables	**-**	**32,976**	-	8,997
Deposits	**9,393**	**39,076**	12,153	39,872
Prepayments	**-**	**135,863**	4,779	100,128
Others	**-**	**5,254**	-	3,743
	18,057	**384,467**	35,880	321,089
Company				
Third parties	**-**	**1,531**	-	2,540
Amount due from:				
- subsidiaries	**642,797**	**701,134**	596,935	386,260
- joint venture	**8,400**	**2,261**	13,000	3,245
- associates	**-**	**607**	-	548
Dividend receivables	**-**	**19,795**	-	8,997
Deposits	**-**	**80**	-	80
Prepayments	**-**	**94**	-	91
	651,197	**725,502**	609,935	401,761

(i) The non-current portion of the amounts due from a joint venture of the Group and of the Company is unsecured and interest-bearing. The interest rate is at 5.58% (2024: 5.86%) per annum.

(ii) Included in the current portion of dividend receivables of the Group and of the Company are amounts of RM32,976,000 (2024: RM8,997,000) due from an associate and a joint venture of the Group, and RM19,795,000 (2024: RM8,997,000) due from subsidiaries and a joint venture of the Company, as at the reporting date.

(iii) The non-current portion of the amounts due from subsidiaries of the Company is unsecured and interest-bearing. The interest rates range from 5.38% to 6.26% (2024: 5.66% to 6.26%) per annum.

25 TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Other receivables of the Group and of the Company are analysed as follows: (continued)

(iv) The current portion of amounts due from subsidiaries, joint ventures and associates of the Group and of the Company is unsecured, non-interest-bearing and repayable on demand.

(d) The currency exposure profile of trade and other receivables is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**3,695,958**	3,535,882
- US Dollar	**392,023**	252,779
- Pound Sterling	**208,156**	101,100
- Renminbi	**5,326**	223
- Euro	**1,754**	3,895
- Indonesian Rupiah	**299**	4,003
- Other currencies	**2,217**	1,018
Total	**4,305,733**	3,898,900
Company		
- Ringgit Malaysia	**1,376,699**	1,011,696

(e) The breakdown of the Group's contract assets is as follows:

	2025 RM'000	2024 RM'000
Construction contracts	**1,530,651**	1,651,904
Property development activities	**18,886**	22,010
Others	**2,287**	10,374
Total	**1,551,824**	1,684,288

(i) The decrease in contract assets is mainly due to progress billings issued to purchasers based on the stage of completion. Progress billings are issued when billing milestones are achieved, and revenue is recognised as the related performance obligations are satisfied.

(ii) Included in construction contracts is amount due from the Government of Malaysia for the construction of infrastructure and broadcast systems, which are repayable over a period of 8 to 20 years upon completion of the construction. This also includes liquidated ascertained damages (LAD) payable to the Government under the Supply, Installation and Lease Agreement in respect of Pusat Berita Bersepadu and Pusat Penyiaran Antarabangsa ("SILA 1") amounting to RM5,677,000 (2024: RM4,803,000).

Notes To The Financial Statements
- 31 December 2025

25 TRADE AND OTHER RECEIVABLES (CONTINUED)

(f) The capitalised contract costs relate to land-related costs attributable to the units sold and are expected to be recoverable. These costs are amortised to profit or loss when the related revenue is recognised. In the previous financial year, amortisation amounting to RM1,718,000 was recognised.

(g) An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date regarding past events, current conditions and forecasts of future economic conditions.

The allowance for ECL and ageing analysis of the Group's trade receivables from third parties are as follows:

	Total gross carrying amount RM'000	ECL RM'000	Total net carrying amount RM'000
2025			
Current	**1,062,820**	**(699)**	**1,062,121**
1 to 30 days past due	**191,183**	**(345)**	**190,838**
31 to 60 days past due	**102,065**	**(962)**	**101,103**
61 to 90 days past due	**123,835**	**(357)**	**123,478**
More than 90 days past due	**471,358**	**(81,170)**	**390,188**
Total	**1,951,261**	**(83,533)**	**1,867,728**
2024			
Current	604,707	(918)	603,789
1 to 30 days past due	173,418	(354)	173,064
31 to 60 days past due	96,560	(269)	96,291
61 to 90 days past due	72,017	(214)	71,803
More than 90 days past due	535,496	(81,096)	454,400
Total	1,482,198	(82,851)	1,399,347

25 TRADE AND OTHER RECEIVABLES (CONTINUED)

(h) The movements of the allowance for ECL of the Group's trade receivables from third parties during the financial year are as follows:

	2025 RM'000	2024 RM'000
At beginning of the financial year	**82,851**	109,084
Charge/(write-back)	**17,707**	(17,116)
Write-off for balances previously provided for	**(14,487)**	(8,551)
Currency translation differences	**(2,538)**	(566)
At end of the financial year	**83,533**	82,851

(i) Included in the other receivables, amounts due from joint ventures, associates and related parties, the movements of the allowance for ECL of the Group during the financial year are as follows:

	2025 RM'000	2024 RM'000
At beginning of the financial year	**130,857**	123,060
Acquisition of a subsidiary	**9,693**	-
Disposal of a subsidiary	**-**	(1,768)
Charge	**1,807**	16,339
Write-off for balances previously provided for	**(42,855)**	(6,774)
Currency translation differences	**(63)**	-
At end of the financial year	**99,439**	130,857

(j) Included in the amount due from subsidiaries, the movements of the allowance for ECL of the Company during the financial year are as follows:

	2025 RM'000	2024 RM'000
At beginning of the financial year	**245,000**	-
Charge	**121,565**	245,000
At end of the financial year	**366,565**	245,000

Notes To The Financial Statements
- 31 December 2025

26 BANKING-RELATED ASSETS - CASH AND SHORT-TERM FUNDS

	2025 RM'000	2024 RM'000
Group		
Money at call and interbank placements maturing within one month	**2,363,067**	1,787,040
Cash and balances with licensed banks and other financial institutions	**226,119**	330,115
Licensed Islamic banks	**501,361**	502,166
	3,090,547	2,619,321
Allowance for expected credit losses	**(188)**	(555)
Total	**3,090,359**	2,618,766

(a) The allowance for expected credit losses is assessed based on Stage 1 under the ECL model and the movements during the financial year are as follows:

	2025 RM'000	2024 RM'000
At beginning of the financial year	**555**	258
Charge	**41**	1,060
Write-back	**(408)**	(763)
At end of the financial year	**188**	555

(b) The currency exposure profile of cash and short-term funds is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**2,889,853**	2,295,889
- US Dollar	**144,457**	137,966
- Japanese Yen	**36,618**	40,072
- Euro	**5,832**	56,260
- Canadian Dollar	**3,218**	4,388
- Swiss Franc	**2,295**	68,565
- Australian Dollar	**2,187**	1,438
- Pound Sterling	**2,159**	2,130
- Other currencies	**3,740**	12,058
	3,090,359	2,618,766

(c) The weighted average effective profit rates of money at call and interbank placements maturing within one month is 2.80% (2024: 3.20%) per annum.

26 BANKING-RELATED ASSETS - CASH AND SHORT-TERM FUNDS (CONTINUED)

(d) As of the reporting date, the weighted average effective profit rates and weighted average maturity period of cash and balances with Islamic banks were 3.27% (2024: 3.66%) per annum and 62 days (2024: 48 days), respectively.

27 SHORT-TERM DEPOSITS

(a) The short-term deposits of the Group and of the Company are denominated in Ringgit Malaysia with an average maturity period of 83 days (2024: 94 days) and 69 days (2024: 69 days), respectively.

(b) Deposits placed with licensed banks and financial institutions of the Group and of the Company with maturity profile above three months amounting to RM87,929,000 (2024: RM200,029,000) and RM85,029,000 (2024: RM200,029,000), respectively, are excluded from cash and cash equivalents.

(c) The weighted average effective annual interest rates of short-term deposits at the reporting date are as follows:

	Group		**Company**	
	2025	**2024**	**2025**	**2024**
Deposits placed with licensed banks (%)	**3.28**	3.62	**3.49**	3.86

28 CASH AND BANK BALANCES

(a) Bank balances are deposits held at call with licensed banks and are non-interest-bearing.

(b) Included in cash and bank balances of the Group are bank accounts maintained pursuant to the Housing Developers (Control & Licensing) Act 1966, amounting to RM42,480,000 (2024: RM56,837,000).

(c) Included in cash and bank balances of the Group are cash restricted for payment of project expenditure held by a subsidiary amounting to RM6,583,000 (2024: RM17,088,000).

28 CASH AND BANK BALANCES (CONTINUED)

(d) The currency exposure profile of cash and bank balances is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**2,050,787**	1,031,289
- US Dollar	**250,291**	96,518
- Pound Sterling	**95,445**	4,098
- Euro	**5,896**	6,191
- Renminbi	**3,950**	3,440
- Thai Baht	**2,450**	1,070
- Other currencies	**2,065**	1,274
	2,410,884	1,143,880
Company		
- Ringgit Malaysia	**154,111**	122,608
- Pound Sterling	**14**	14
	154,125	122,622

29 DERIVATIVE FINANCIAL INSTRUMENTS

	Contract/ Notional value RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
Group			
2025			
Financial instruments at fair value through profit or loss			
Currency forward foreign exchange contracts	**1,136,482**	**6,232**	**27,391**
Currency swaps foreign exchange contracts	**485,799**	**7,317**	**34**
Share put option	**1,626**	**1,626**	**-**
	1,623,907	**15,175**	**27,425**

29 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

	Contract/ Notional value RM'000	Fair value	
		Assets RM'000	**Liabilities RM'000**
Group			
2024			
Financial instruments at fair value through profit or loss			
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

(a) There is no significant change for the financial derivatives in respect of the following since the previous 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/loss arising from fair value changes of financial derivatives

During the financial year, the Group recognised a total net loss of RM17,686,000 (2024: total net gain of RM12,239,000) in profit or loss 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 the reporting date.

(c) Share put option refers to the fair value for an irrevocable and unconditional put option at any time in an associate of the Group.

30 ASSETS HELD FOR SALE

In accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, an automotive subsidiary under the mobility segment reclassified the machinery from assets held for sale back to property, plant and equipment following the abandonment of the planned sale during the financial year. The details of the assets held for sale are set out below:

	Note	2025 RM'000	2024 RM'000
Group			
Transfer from property, plant and equipment:	13		
- Freehold land		**144**	144
- Machinery		**-**	351
		144	495

31 SHARE CAPITAL

	Number of shares '000	Monetary value RM'000
Group and Company		
Issued and fully paid with no par value:		
Ordinary shares		
At 31 December 2025	**1,933,237**	**1,740,302**
At 31 December 2024	1,933,237	1,740,302

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

32 PERPETUAL SUKUK

(a) The Perpetual Sukuk relates to the Company's Sukuk Musharakah Programme of up to RM2,000,000,000 in nominal value, which was approved by the Securities Commission Malaysia on 27 November 2014. The Perpetual Sukuk is under the Islamic principle of Musharakah.

As at the reporting date, the total outstanding of Perpetual Sukuk issued by the Company is RM550,000,000 (2024: RM550,000,000) and the unutilised Perpetual Sukuk is RM1,450,000,000 (2024: RM1,450,000,000).

32 PERPETUAL SUKUK (CONTINUED)

(a) (continued)

Series	Date of issue	First call date	Total RM'000
1	30 December 2014	5th anniversary of issue date	415,000
		7th anniversary of issue date	300,000
2	27 February 2015	5th anniversary of issue date	100,000
3	15 April 2015	5th anniversary of issue date	100,000
4	15 May 2015	5th anniversary of issue date	50,000
5	12 August 2015	5th anniversary of issue date	75,000
6	26 August 2022	5th anniversary of issue date	350,000
7	24 August 2023	5th anniversary of issue date	200,000
			1,590,000
	Redemption of 1st series of Tranche 1 of Perpetual Sukuk on 30 December 2019		(415,000)
	Redemption of 2nd series of Perpetual Sukuk on 27 February 2020		(100,000)
	Redemption of 3rd series of Perpetual Sukuk on 15 April 2020		(100,000)
	Redemption of 4th series of Perpetual Sukuk on 15 May 2020		(50,000)
	Redemption of 5th series of Perpetual Sukuk on 12 August 2020		(75,000)
	Redemption of 1st series of Tranche 2 of Perpetual Sukuk on 30 December 2021		(300,000)
	As at 31 December 2025		550,000

The Perpetual Sukuk holders are conferred a right to receive distribution on a semi-annual basis from their issuance date at 6.75% (2024: 6.75%) per annum, subject to a step-up rate of 1% after the 1st call date of the tranche.

The Perpetual Sukuk has no fixed maturity and is redeemable in whole or in part, at the Company's option on their respective 1st call date together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, the Company will not declare, pay dividends or make similar periodic payments in respect of, or redeem, buy-back or otherwise acquire any securities of lower or equal rank. Based on its terms, the Perpetual Sukuk has been classified as an equity instrument.

The Perpetual Sukuk was issued for the Company's working capital purposes as well as to finance investments such as purchase of shares, land, buildings and property and development and construction costs.

32 PERPETUAL SUKUK (CONTINUED)

(b) On 19 September 2023, Bank Muamalat established a Sukuk Wakalah Programme of RM5,000,000,000 in nominal value under the Shariah principle of Wakalah Bi Al-Istithmar ("Sukuk Wakalah Programme") for the issuance of (i) Senior Sukuk Wakalah and/or (ii) Tier-2 Subordinated Sukuk Wakalah and/or (iii) Additional Tier-1 Capital Sukuk Wakalah which was lodged with the Securities Commission Malaysia on 24 August 2023. The Sukuk Wakalah is recognised in the consolidated statement of changes in equity as of the reporting date.

On 29 September 2023, Bank Muamalat issued RM350,000,000 of Additional Tier-1 Capital Sukuk Wakalah from its Sukuk Wakalah Programme. The net proceeds arising from the issuance (after the deduction of expenses incidental to Sukuk Wakalah issuance) were utilised to finance its working capital requirements, investment activities and Islamic financing activities.

33 REDEEMABLE CONVERTIBLE CUMULATIVE PREFERENCE SHARES

On 6 June 2016, PROTON entered into a conditional subscription agreement with GOVCO Holdings Berhad ("GOVCO"), a 99.99% company owned by Minister of Finance Incorporated, for the issuance of up to 1,250,000,000 redeemable convertible cumulative preference shares (RCCPS) of RM0.01 each in PROTON at an issue price of RM1.00 per RCCPS to GOVCO ("Initial Subscription Agreement"). The Initial Subscription Agreement was completed on 7 June 2016 ("Initial Subscription RCCPS").

On 5 September 2016, PROTON entered into another conditional subscription agreement with GOVCO for the issuance of up to 250,000,000 RCCPS at an issue price of RM1.00 per RCCPS to GOVCO. At the Extraordinary General Meeting on 29 September 2016, the shareholders of DRB-HICOM Berhad approved the issuance of up to 250,000,000 RCCPS by PROTON. On 22 June 2017, GOVCO completed the subscription of the 250,000,000 RCCPS ("Subsequent Subscription RCCPS").

The key salient terms of the Initial Subscription RCCPS and Subsequent Subscription RCCPS are as follows:

Tenure	Up to 15 years after the date of issuance of the Initial Subscription on 7 June 2016.
Dividend rate	4% per annum on a cumulative basis, subject to the availability of profit.
Grace period	5 years from the date of issuance of the Initial Subscription RCCPS.
Conversion rights	PROTON has the option to convert partially or wholly any outstanding RCCPS into new ordinary shares of PROTON at any time after the grace period.
Conversion ratio	1 RCCPS : 1.152 new ordinary shares of PROTON.

On 5 October 2017, the Company signed the definitive agreement with GOVCO for the purchase of the first principal tranche of RM300,000,000 RCCPS issued by PROTON due on 6 June 2023 and the RCCPS dividend entitlement for the period ended 6 June 2017 amounting to RM50,000,000 from GOVCO (collectively known as "RCCPS Purchase"). The RCCPS Purchase was completed on 6 October 2017. On the same day, the Company also executed an Asset Exchange Agreement with GOVCO for the creation of an asset pool comprising landed properties, designated shares or cash ("Asset Pool"), whereby GOVCO has the option to:

33 REDEEMABLE CONVERTIBLE CUMULATIVE PREFERENCE SHARES (CONTINUED)

(i) require the Company to transfer the Asset Pool to GOVCO in consideration for GOVCO transferring the PROTON ordinary shares to be received from the conversion of GOVCO's unredeemed principal amount of the RCCPS at the tenure expiry date of 6 June 2031, or

(ii) terminate the Asset Exchange Agreement and keep the new PROTON ordinary shares to be received.

Effectively, the Company had issued a put option to GOVCO in relation to new PROTON ordinary shares to be received from the conversion of the unredeemed principal of the RCCPS of RM1,200,000,000. The put option will give rise to a financial liability at the Group under MFRS 132 *Financial Instruments: Presentation*.

On 5 October 2017, the unredeemed principal amount of the RCCPS was RM1,200,000,000 and the initial carrying amount of the RCCPS liability was RM529,599,000 being the net present value of the redemption value of the RCCPS of RM1,200,000,000 discounted at the Company's borrowing rate of 6% per annum. Accordingly, the Group reclassified RM529,599,000 from RCCPS equity to RCCPS liability. Accretion of discounts related to RCCPS of RM50,367,000 (2024: RM47,441,000) was recognised to profit or loss during the financial year.

34 DEFERRED INCOME

	Note	2025 RM'000	2024 RM'000
<u>**Grant**</u>			
Group			
At beginning of the financial year		**6,818**	6,888
Acquisition of a subsidiary	48(i)(d)	**67,042**	-
Received		**3,970**	14,605
Utilised		**(3,220)**	(14,305)
Amortisation	6	**(393)**	(462)
Interest receivable		**98**	92
Currency translation differences		**(428)**	-
At end of the financial year		**73,887**	6,818
Non-current		**66,592**	2,669
Current		**7,295**	4,149
		73,887	6,818

34 DEFERRED INCOME (CONTINUED)

Material accounting policy information

The Group elected to present government grants related to capital expenditure as deferred income.

35 PROVISION FOR LIABILITIES AND CHARGES

	Note	Warranty RM'000	Sales returns RM'000	Provision for claims from suppliers RM'000	Total RM'000
Group					
At 1 January 2025		**290,499**	**139**	**105,914**	**396,552**
Charged	6	**33,596**	**258**	**57,656**	**91,510**
Unused amounts reversed	6	**(231)**	**(263)**	**-**	**(494)**
Utilised		**(83,372)**	**(5)**	**(4,939)**	**(88,316)**
Warranties reimbursable from suppliers		**64,237**	**-**	**-**	**64,237**
At 31 December 2025		**304,729**	**129**	**158,631**	**463,489**
Non-current		**194,558**	**-**	**-**	**194,558**
Current		**110,171**	**129**	**158,631**	**268,931**
Total		**304,729**	**129**	**158,631**	**463,489**
At 1 January 2024		314,699	136	133,310	448,145
Charged	6	26,411	251	-	26,662
Unused amounts reversed	6	(383)	(69)	(21,309)	(21,761)
Utilised		(64,113)	(179)	(6,087)	(70,379)
Warranties reimbursable from suppliers		13,885	-	-	13,885
At 31 December 2024		290,499	139	105,914	396,552
Non-current		197,829	-	-	197,829
Current		92,670	139	105,914	198,723
Total		290,499	139	105,914	396,552

36 POST-EMPLOYMENT BENEFIT OBLIGATIONS

The Group operates unfunded defined benefit plans for eligible employees of certain subsidiaries and a funded defined benefit plan in respect of a foreign subsidiary. The carrying amount of the Group's post-employment benefit obligations is based on the valuations by actuaries. The level of benefits provided depends on members' length of service and salary in the final years prior to retirement.

(a) The amount shown in the statement of financial position is presented as follows:

	2025 RM'000	2024 RM'000
Group		
Present value of funded obligations	**195**	184
Present value of unfunded obligations	**3,015**	3,174
Benefit liabilities	**3,210**	3,358
Non-current	**2,468**	3,021
Current	**742**	337
	3,210	3,358

(b) Changes in present value of defined benefit obligations are as follows:

	2025 RM'000	2024 RM'000
Group		
At beginning of the financial year	**3,358**	3,470
Current service costs	**152**	57
Interest costs	**131**	132
Actuarial (gain)/loss on obligations:		
- effect of experience gain on liabilities	**(39)**	104
Currency translation differences	**(22)**	(2)
Benefits paid	**(370)**	(403)
At end of the financial year	**3,210**	3,358

(c) The expenses recognised in profit or loss are analysed as follows:

	Note	2025 RM'000	2024 RM'000
Group			
Current service costs		**152**	57
Interest costs		**131**	132
Staff costs	8	**283**	189

36 POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(d) The principal actuarial assumptions used in the latest actuarial valuation are as follows:

	2025	2024
Group		
Discount rate (%)	**3.20 - 5.87**	3.70 - 7.04
Expected rate of salary increase (%)	**3.00 - 5.00**	3.00 - 5.00

(e) The following table demonstrates the sensitivity of the Group's defined benefit obligations to a reasonably possible change in significant assumptions as at the reporting date:

	Increase RM'000	Decrease RM'000
Group		
2025		
Discount rate (0.5% movement)	**(274)**	**296**
Future salary (0.5% movement)	**237**	**(215)**
2024		
Discount rate (0.5% movement)	(271)	296
Future salary (0.5% movement)	229	(206)

(f) The maturity profile of defined benefit obligations is as follows:

	2025	2024
Group		
Average duration of the defined benefit obligations (years)	**4.38 - 19.00**	5.22 - 24.00

(g) The expected contributions to defined benefit obligations are as follows:

	2025 RM'000	2024 RM'000
Group		
Within the next 12 months	**832**	340
Between two and five years	**277**	1,162
Between five and ten years	**1,311**	969
Beyond ten years	**892**	1,153
Total expected payments	**3,312**	3,624

37 LONG-TERM BORROWINGS

	Note	2025 RM'000	2024 RM'000
Group			
Secured			
Hire purchase		**106,026**	95,300
- Portion repayable within 12 months included under bank borrowings	43	**(30,583)**	(24,802)
		75,443	70,498
Long-term loans		**404,595**	358,968
- Portion repayable within 12 months included under bank borrowings	43	**(52,801)**	(33,329)
		351,794	325,639
Long-term loans under Islamic financing		**6,164,128**	5,509,325
- Portion repayable within 12 months included under bank borrowings	43	**(796,991)**	(493,561)
		5,367,137	5,015,764
Unsecured			
Long-term loans		**171,427**	-
- Portion repayable within 12 months included under bank borrowings	43	**(52,288)**	-
		119,139	-
Long-term loans under Islamic financing		**807,858**	807,369
- Portion repayable within 12 months included under bank borrowings	43	**(8,216)**	(8,150)
		799,642	799,219
		6,713,155	6,211,120
Company			
Secured			
Long-term loans under Islamic financing		**3,330,676**	3,144,801
- Portion repayable within 12 months included under bank borrowings	43	**(414,312)**	(314,574)
		2,916,364	2,830,227
Unsecured			
Long-term loans		**171,427**	-
- Portion repayable within 12 months included under bank borrowings	43	**(52,288)**	-
		119,139	-
		3,035,503	2,830,227

Notes To The Financial Statements
- 31 December 2025

37 LONG-TERM BORROWINGS (CONTINUED)

(a) The long-term borrowings of the Group and of the Company are denominated in Ringgit Malaysia.

(b) The hire purchases are secured against the respective assets acquired as disclosed in Note 13(d).

(c) The secured term loans are secured by letter of undertaking, corporate guarantee, fixed and floating charges over property, plant and equipment, investment properties, inventories, receivables and contract assets including certain short-term deposits and cash and bank balances as disclosed in Notes 13, 14, 15, 24, 25 and Note (c) to the statements of cash flows.

(d) Long-term loans (secured and unsecured)

Group

(i) The outstanding term loan of RM50,000,000 (2024: RM50,000,000) obtained by a subsidiary was used to finance capital expenditure. The term loan has a tenure of up to seven years from the date of first drawdown and bears an interest rate of 1.15% per annum above the effective cost of funds. Principal repayments commence from the 24th month after the date of first drawdown. The term loan facility is subject to the following financial covenants:

- A debt service cover ratio of not less than 1.50 times; and
- A gearing ratio of not more than 1.50 times.

The subsidiary has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenants when they are next tested as at 31 December 2026.

(ii) Medium Term Notes ("MTN") of RM340,000,000 were issued with maturities ranging from 36 months to 192 months. The MTN was issued by a subsidiary to finance the construction costs of the Immigration, Customs, Quarantine and Security Complex at Bukit Kayu Hitam. As at the reporting date, the outstanding MTN amounted to RM235,000,000 (2024: RM260,000,000) and bears fixed interest rates ranging from 5.00% to 5.50% (2024: 4.80% to 5.50%) per annum, with full repayment due on 29 August 2033.

The MTN is secured by a letter of undertaking, fixed and floating charges over property, plant and equipment, receivables and contract assets, as well as certain cash and bank balances of the subsidiary.

Under the terms of the MTN, the following financial covenants apply at the end of each annual and interim reporting period:

- A debt-to-equity ratio of not more than 80:20; and
- A debt service cover ratio of not less than 1.50 times.

The subsidiary has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenants when they are next tested as at 31 December 2026.

37 LONG-TERM BORROWINGS (CONTINUED)

(d) Long-term loans (secured and unsecured) (continued)

Group (continued)

(iii) During the financial year, a subsidiary drew down term loans totalling RM51,055,000 under a new banking facility to finance its capital expenditure and investment requirements. The term loans carry tenures ranging from four to five years and bear interest rates ranging from 1.50% to 2.50% per annum above the effective cost of funds. As at the reporting date, the effective interest rate was 5.56% per annum. The following financial covenants apply at the end of each annual reporting period:

- A consolidated gearing ratio of not more than 1.0 time.

The subsidiary has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenant when it is next tested as at 31 December 2026.

(iv) The outstanding term loan of RM62,116,000 (2024: RM63,105,000) of a subsidiary bears an interest rate of 1.75% per annum above the effective cost of funds. The term loan was obtained to finance the capital expenditure and working capital requirements. As at the reporting date, the effective interest rate ranged from 5.45% to 6.11% (2024: 5.51% to 5.91%) per annum. The following financial covenants apply at the end of each interim reporting period:

- A gearing ratio of not more than 1.30 times; and
- A ratio of net finance cost to EBITDA not more than 110%.

The subsidiary has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenant when it is next tested as at 30 June 2026.

Company

On 28 March 2025, the Company drew down a term loan of RM200,000,000 with a tenure of five years from the date of first drawdown. The term loan was obtained to finance the Group's present and future investments and/or capital expenditure, working capital requirements, and the repayment and/or refinancing of borrowings. The term loan bears an interest rate of 1.50% per annum above the effective cost of funds, with principal repayments commencing from the sixth month after the date of first drawdown. As at the reporting date, the effective interest rate was 5.25% per annum. The term loan facility is subject to the following financial covenants:

- A debt-to-equity ratio of not more than 1.35 times; and
- A group debt-to-equity ratio of not more than 1.50 times.

The Company has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenants when they are next tested as at 31 December 2026.

37 LONG-TERM BORROWINGS (CONTINUED)

(e) Long-term loans under Islamic financing (secured and unsecured)

Group

(i) The outstanding term loan of RM54,343,000 (2024: RM73,892,000) of a subsidiary bears a profit rate of 0.36% (2024: 1.75%) per annum above the effective cost of funds and is repayable in 18 (2024: 30) monthly instalments. The term loan was obtained to finance the development costs of DRB-HICOM University of Automotive Malaysia. As at the reporting date, the effective profit rates ranged from 5.00% to 5.36% (2024: 5.00% to 6.75%) per annum. The following financial covenants apply at the end of each annual and interim reporting period:

- A debt-to-equity ratio of not more than 80:20; and
- A finance service cover ratio of not less than 1.20 times.

The subsidiary has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenants when they are next tested as of 31 December 2026.

(ii) The outstanding Commodity Murabahah Term Financing-i of RM151,000,000 (2024: RM153,000,000) was obtained by a subsidiary for Shariah-compliant general capital and operating expenditure requirements of the e-commerce and courier businesses. As at the reporting date, the effective profit rates ranged from 4.69% to 5.52% (2024: 5.27% to 5.52%) per annum. The following financial covenants apply at the end of each annual reporting period:

- A finance-to-equity ratio of not more than 1.75 times; and
- A finance service coverage ratio of not less than 1.25 times.

The subsidiary has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenants when they are next tested as at 31 December 2026.

37 LONG-TERM BORROWINGS (CONTINUED)

(e) Long-term loans under Islamic financing (secured and unsecured) (continued)

Group (continued)

(iii) A RM800,000,000 (2024: RM800,000,000) Subordinated Sukuk of a subsidiary comprises two tranches of Subordinated Sukuk Murabahah (Series 2 and Series 3), which qualify as Tier-2 capital for the purpose of Bank Negara Malaysia's capital adequacy requirements. The Sukuk carries a tenure of 10 years from the date of issuance and is callable on the fifth anniversary from the date of issuance and on every profit payment date thereafter. Below is a summary of the Subordinated Sukuk:

Issue date	Callable date	Maturity date	Profit rate (% p.a.)	Nominal value
15 June 2021	15 June 2026	15 June 2031	4.50% payable semi-annually	RM500,000,000
20 July 2022	20 July 2027	20 July 2032	5.33% payable semi-annually	RM300,000,000

The subsidiary may redeem, in whole or in part, the Subordinated Sukuk Murabahah prior to maturity on the call date, subject to the redemption conditions set out in the principal terms and conditions of the Subordinated Sukuk Programme.

(iv) During the financial year, a subsidiary drew down a term loan amounting to RM464,198,000 under a new banking facility to finance the acquisition of a new subsidiary, as disclosed in Note 48(i)(d). The term loan carries a tenure of ten years, with a grace period of 18 months from the date of first disbursement and bears a profit rate of 1.25% per annum above the effective cost of funds. As at the reporting date, the effective profit rate was at 5.06% per annum. The following financial covenants apply at the end of each annual reporting period:

- A debt-to-equity ratio of not more than 1.25 times; and
- A financing service cover ratio of not less than 1.25 times.

The subsidiary has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenants when they are next tested as at 31 December 2026.

(v) An Islamic Medium Term Notes ("IMTN") Programme of up to RM4,000,000,000 in nominal value and an Islamic Commercial Paper ("ICP") Programme of up to RM1,000,000,000 in nominal value were established by a subsidiary, with a combined aggregate nominal value capped at RM4,000,000,000 (collectively referred to as the "Sukuk Wakalah Programmes"). Issuances under the IMTN Programme may have maturities of up to 30 years from the date of the first IMTN issuance, while issuances under the ICP Programme may have maturities of up to seven years from the date of the first ICP issuance.

37 LONG-TERM BORROWINGS (CONTINUED)

(e) Long-term loans under Islamic financing (secured and unsecured) (continued)

Group (continued)

(v) (continued)

As at the reporting date, the total IMTN issued amounted to RM1,650,000,000 (2024: RM1,650,000,000), bearing profit rates ranging from 3.99% to 5.31% (2024: 3.99% to 5.31%) per annum. Details of the IMTN issuances are set out below.

			2025	2024
Instrument	Issued date	Date of maturity	Amount RM'000	Amount RM'000
IMTN	28 December 2021	28 December 2026	135,000	135,000
IMTN	28 December 2021	28 December 2028	315,000	315,000
IMTN	30 June 2022	30 June 2027	250,000	250,000
IMTN	30 June 2022	29 June 2029	450,000	450,000
IMTN	28 May 2024	28 May 2029	150,000	150,000
IMTN	28 May 2024	28 May 2031	350,000	350,000
Total			1,650,000	1,650,000

The proceeds raised from the Sukuk Wakalah Programmes are mainly utilised for the following Shariah-compliant purposes:

a. financing general corporate purposes, including capital expenditure, working capital requirements, and fees and expenses in relation to the Sukuk Wakalah Programmes;

b. funding the Sukuk trustee's reimbursement accounts under the Sukuk Wakalah Programmes; and/or

c. refinancing outstanding Islamic financings, conventional borrowings, and future Islamic financings.

The IMTN Programme is subject to the following financial covenants:

- A finance service cover ratio of not less than 1.50 times; and
- A gearing ratio of not more than 1.50 times.

The subsidiary has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenants when they are next tested as at 31 December 2026.

37 LONG-TERM BORROWINGS (CONTINUED)

(e) Long-term loans under Islamic financing (secured and unsecured) (continued)

Group (continued)

(vi) The RM733,000,000 Tawarruq financing facility ("TWQ"), comprising four tranches, was provided to subsidiaries to finance the construction and development of new infrastructure and facilities at the existing Angkasapuri Complex into a new Media City under the Ministry of Communications and Multimedia Malaysia ("Project'). In March 2025, an RM200,000,000 drawdown from Tawarruq Assets financing facility ("TWA") was obtained to reimburse shareholders' advances for additional costs incurred to complete the Project. Details of the TWQ and TWA borrowings are set out below:

	2025	2024		
	Amount RM'000	Amount RM'000	Profit rate (% p.a.)	Repayment term
TWQ 1	201,219	238,656	0.50% above the effective cost of funds	Repayable by 162 monthly instalments upon expiry of the Availability Period ("AP") of 73 months and a grace period of six months
TWQ 2	80,315	89,029	0.50% above the effective cost of funds	Repayable by 156 monthly instalments upon expiry of the AP of 40 months and a grace period of six months
TWQ 3	-	39,633	0.50% above the effective cost of funds	Repayable by 84 monthly instalments upon expiry of the AP of 12 months and a grace period of six months
TWQ 4	13,398	26,014	0.50% above the effective cost of funds	Repayable by 84 monthly instalments upon expiry of the AP of 46 months and a grace period of six months
TWA	157,285	-	1.00% above the effective cost of funds*	Repayable by 144 monthly instalments
Total	452,217	393,332		

* A 1% profit rate subsidy has been granted in accordance with a government support initiative.

As at the reporting date, the effective profit rates ranged from 4.49% to 4.98% (2024: 6.90% to 7.10%) per annum.

Under the terms of the TWQ and TWA, the following financial covenants apply at the end of each annual and interim reporting period:

- A debt-to-equity ratio of not more than 78:22 at all times; and
- A finance service cover ratio of at least 1.50 times for any distribution of share capital or declaration or payment of dividends.

37 LONG-TERM BORROWINGS (CONTINUED)

(e) Long-term loans under Islamic financing (secured and unsecured) (continued)

Group (continued)

(vi) (continued)

The subsidiary has complied with all covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenants when they are next tested as at 31 December 2026.

Company

The Company lodged with the Securities Commission Malaysia (“SC”), pursuant to the SC’s Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, for the establishment of a Sukuk Wakalah Programme of up to RM3,500,000,000 on 25 October 2019. The Sukuk Wakalah Programme is structured with a duration of up to 30 years from the date of first issuance. The Sukuk Wakalah bears profit at rates determined at the point of issuance, payable semi-annually in arrears from the date of issuance, with the final profit payment due upon maturity.

On 14 July 2025, the Company issued RM500,000,000 in nominal value under the Sukuk Wakalah Programme. The net proceeds were utilised to finance capital expenditure, working capital requirements, investment activities, and other general corporate purposes. Separately, on 29 August 2025, the Company repaid RM150,000,000 in nominal value from an earlier tranche of the Sukuk Wakalah. As at the reporting date, a total of RM2,680,000,000 (2024: RM2,330,000,000) of Sukuk Wakalah had been issued by the Company. The Sukuk Wakalah bears profit rates ranging from 3.88% to 5.57% (2024: 4.29% to 5.57%) per annum and is repayable between December 2026 and July 2035.

			2025	2024
Instrument	Issued date	Date of maturity	Amount RM’000	Amount RM’000
IMTN	12 December 2019	12 December 2026	250,000	250,000
IMTN	12 December 2019	12 December 2029	700,000	700,000
IMTN	1 September 2020	29 August 2025	-	150,000
IMTN	1 September 2020	30 August 2030	250,000	250,000
IMTN	6 August 2021	4 August 2028	230,000	230,000
IMTN	6 August 2021	6 August 2031	160,000	160,000
IMTN	27 April 2023	26 April 2030	290,000	290,000
IMTN	13 November 2024	13 November 2031	200,000	200,000
IMTN	13 November 2024	13 November 2034	100,000	100,000
IMTN	14 July 2025	14 July 2032	200,000	-
IMTN	14 July 2025	13 July 2035	300,000	-
Total			2,680,000	2,330,000

37 LONG-TERM BORROWINGS (CONTINUED)

(e) Long-term loans under Islamic financing (secured and unsecured) (continued)

Company (continued)

The purposes of the Sukuk Wakalah are to:

a. refinance existing financing/or borrowings of the Company;

b. finance the Company's capital expenditure and working capital requirements and/or investments, as well as for general corporate purposes; and

c. pay all fees and expenses in connection with the Sukuk Wakalah.

The Company also secured a ten-year syndicated term loan of up to RM1,500,000,000. The syndicated term loan bears profit at rates of 1.75% per annum (from Year 1 to Year 5 after the first drawdown) and 2.00% per annum (from Year 6 to Year 10 after the first drawdown) above the effective cost of funds, and is repayable annually commencing from November 2021. The facility was obtained to refinance existing financing or borrowings of the Group. As at the reporting date, a total of RM665,000,000 (2024: RM832,000,000) was outstanding, bearing an effective profit rate of 5.53% (2024: 6.01%) per annum.

The aggregate issuance under the Sukuk Wakalah Programme and drawdowns from the syndicated term loan must not exceed RM3,500,000,000 at any point in time.

The Sukuk Wakalah Programme and the syndicated term loan are subject to the following financial covenants:

- A finance-to-equity ratio of not more than 1.35 times;
- A group finance-to-equity ratio of not more than 1.50 times; and
- A finance service cover ratio of not less than 1.50 times.

The Company has complied with all financial covenants throughout the reporting period, and there are no indications that it will encounter difficulties in meeting the covenants when they are next tested as at 31 December 2026.

(f) The weighted average effective annual interest/profit rates at the reporting date are as follows:

	2025	**2024**
	%	**%**
Group		
Hire purchase	**3.09**	2.91
Long-term loans	**5.25**	5.22
Long-term loans under Islamic financing	**4.69**	4.97
Company		
Long-term loans	**5.20**	-
Long-term loans under Islamic financing	**4.94**	5.23

Notes To The Financial Statements
- 31 December 2025

37 LONG-TERM BORROWINGS (CONTINUED)

(g) The exposure of long-term borrowings to interest/profit rate risk is as follows:

		Maturity profile			
	Carrying amount	Between 1 to 2 years	Between 2 to 3 years	Between 3 to 4 years	Beyond 4 years
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
2025					
Fixed-rate					
Hire purchase	**75,443**	**29,948**	**25,582**	**15,927**	**3,986**
Long-term loans	**240,792**	**33,369**	**33,369**	**38,369**	**135,685**
Long-term loans under Islamic financing	**5,227,796**	**286,542**	**602,069**	**1,350,803**	**2,988,382**
	5,544,031	**349,859**	**661,020**	**1,405,099**	**3,128,053**
Floating-rate					
Long-term loans	**230,141**	**73,293**	**75,989**	**46,915**	**33,945**
Long-term loans under Islamic financing	**938,983**	**229,953**	**213,713**	**199,015**	**296,301**
	1,169,124	**303,246**	**289,702**	**245,930**	**330,246**
	6,713,155	**653,105**	**950,722**	**1,651,029**	**3,458,299**
2024					
Fixed-rate					
Hire purchase	70,498	23,878	22,111	17,214	7,295
Long-term loans	272,494	33,369	33,369	33,369	172,387
Long-term loans under Islamic financing	4,638,937	885,845	253,992	545,370	2,953,730
	4,981,929	943,092	309,472	595,953	3,133,412
Floating-rate					
Long-term loans under Islamic financing	1,229,191	409,053	293,109	277,155	249,874
	6,211,120	1,352,145	602,581	873,108	3,383,286

37 LONG-TERM BORROWINGS (CONTINUED)

(g) The exposure of long-term borrowings to interest/profit rate risk is as follows: (continued)

		Maturity profile			
	Carrying amount	**Between 1 to 2 years**	**Between 2 to 3 years**	**Between 3 to 4 years**	**Beyond 4 years**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Company					
2025					
<u>Fixed-rate</u>					
Long-term loans under Islamic financing	**2,425,398**	**-**	**229,861**	**697,527**	**1,498,010**
<u>Floating-rate</u>					
Long-term loans	**119,139**	**52,288**	**52,286**	**14,565**	**-**
Long-term loans under Islamic financing	**490,966**	**164,616**	**164,610**	**161,740**	**-**
	610,105	**216,904**	**216,896**	**176,305**	**-**
	3,035,503	**216,904**	**446,757**	**873,832**	**1,498,010**
2024					
<u>Fixed-rate</u>					
Long-term loans under Islamic financing	2,174,645	247,551	-	228,195	1,698,899
<u>Floating-rate</u>					
Long-term loans under Islamic financing	655,582	164,616	164,616	164,610	161,740
	2,830,227	412,167	164,616	392,805	1,860,639

38 LEASES

38.1 As a lessee

The Group has lease arrangements for leasehold land, buildings, plant and machinery, motor vehicles and office equipment. The Group holds the land titles for the leasehold land together with certain buildings, with lease terms ranging from 2 to 99 years (2024: 2 to 99 years). Lease contracts are typically entered into for fixed periods of 1 to 50 years (2024: 1 to 30 years) and may include extension options, as described in (c) below.

Except for short-term leases and leases of low-value underlying assets, each lease is recognised in the statement of financial position as a right-of-use asset included within property, plant and equipment, with a corresponding lease liability. Variable lease payments that do not depend on an index or a rate (such as lease payments based on a percentage of Group's sales) are excluded from the initial measurement of the lease liability and right-of-use asset and are expensed as incurred.

Each lease generally imposes restrictions on the use of the underlying asset such that, unless the Group has a contractual right to sublease the asset to another party, the right-of-use assets may only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Certain leases also contain options to purchase the underlying asset at the end of the lease term or to extend the lease for a further period.

(a) Lease liabilities

	Interest rate (%)	Maturity	RM'000
Group			
2025			
Non-current	**3.00 - 7.80**	**2027 - 2043**	**209,982**
Current	**3.00 - 7.80**	**2026**	**91,653**
			301,635
2024			
Non-current	3.00 - 7.65	2026 - 2043	219,085
Current	3.00 - 7.65	2025	85,497
			304,582

(b) Lease payments not recognised as a liability

The Group has elected not to recognise lease liabilities for short-term leases (leases with an expected term of twelve months or less) and for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis over the lease term. In addition, certain variable lease payments do not qualify for recognition as lease liabilities and are expensed as incurred.

38 LEASES (CONTINUED)

38.1 As a lessee (continued)

(b) (continued)

The expenses relating to payments not included in the measurement of the lease liability during the financial year are as follows:

	2025 RM'000	2024 RM'000
Group		
Expenses relating to short-term leases (included in cost of sales and administrative expenses)	**60,142**	46,696
Expenses relating to leases of low-value assets (included in cost of sales and administrative expenses)	**22,786**	19,020
Variable lease payments (included in cost of sales)	**1,990**	1,967

The Group had total cash outflows for leases of RM203,333,000 (2024: RM186,870,000) during the financial year.

As at the reporting date, the Group was committed to short-term leases and leases of low-value assets and the total commitments were RM3,880,000 (2024: RM3,686,000) and RM10,777,000 (2024: RM14,509,000), respectively.

(c) The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased assets portfolio and to align with the Group's business needs.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within five years RM'000	More than five years RM'000	Total RM'000
Group			
2025			
Extension options expected not to be exercised	**87,023**	**-**	**87,023**
2024			
Extension options expected not to be exercised	49,375	62	49,437

38 LEASES (CONTINUED)

38.1 As a lessee (continued)

(d) Material accounting policy information:

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component based on their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

Lease payments associated with short term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss over the lease term. Short-term leases are leases with a lease term of twelve months or less. Low-value assets are those assets valued at less than RM20,000 each when purchased new.

38.2 As a lessor

The Group and the Company have entered into commercial leases of property, plant and equipment and investment properties. These non-cancellable leases have remaining lease terms from two months to five years (2024: three months to five years). All leases include clauses that allow for upward revision of rental charge on an annual basis, based on prevailing market conditions.

The future minimum rentals receivable under non-cancellable operating leases as at the reporting date are as follows:

	2025 RM'000	2024 RM'000
Group		
Receivable within one year	**41,535**	59,112
Receivable within two to five years	**66,140**	70,154
	107,675	129,266
Company		
Receivable within one year	**9,118**	11,520
Receivable within two to five years	**12,926**	31,966
	22,044	43,486

Material accounting policy information

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease, it classifies the sublease as an operating lease.

39 BANKING-RELATED LIABILITIES - DEPOSITS FROM CUSTOMERS AND INVESTMENT ACCOUNTS

	2025 RM'000	2024 RM'000
Group		
(i) Deposits from customers		
Savings deposits		
Qard	**926,213**	881,921
Tawarruq	**846,597**	774,783
	1,772,810	1,656,704
Demand deposits		
Qard	**4,316,801**	4,451,933
Tawarruq	**6,164,713**	4,508,695
	10,481,514	8,960,628
Term deposits		
Fixed-term accounts Tawarruq	**13,200,296**	12,755,158
Short-term accounts	**11,070,710**	12,457,270
General investment deposits	**-**	3,021
	24,271,006	25,215,449
Other deposits	**72,823**	59,612
(ii) Investment accounts		
Mudharabah	**277,033**	245,707
Wakalah	**935,950**	-
	1,212,983	245,707
Total	**37,811,136**	36,138,100
Non-current	**335,179**	732,197
Current	**37,475,957**	35,405,903
	37,811,136	36,138,100

Notes To The Financial Statements
- 31 December 2025

39 BANKING-RELATED LIABILITIES - DEPOSITS FROM CUSTOMERS AND INVESTMENT ACCOUNTS (CONTINUED)

(a) The currency exposure profile of deposits from customers and investment accounts is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**37,688,703**	35,782,265
- US Dollar	**121,909**	180,682
- Euro	**370**	154,071
- Other currencies	**154**	21,082
	37,811,136	36,138,100

(b) The maturity period of the deposits from customers and investment accounts is as follows:

	2025 RM'000	2024 RM'000
Group		
- not later than six months	**30,811,324**	29,223,135
- later than six months and not later than one year	**6,664,633**	6,145,805
- later than one year and not later than five years	**335,179**	769,160
	37,811,136	36,138,100

(c) The weighted average effective annual profit rates of deposits from customers and investment accounts as at the reporting date are 3.00% (2024: 3.20%) and 3.10% (2024: 0.10%) per annum, respectively.

40 BANKING-RELATED LIABILITIES - DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	2025 RM'000	2024 RM'000
Group		
Non-Mudharabah		
Bank Negara Malaysia	**381,987**	385,413
Licensed banks	**584,958**	453,308
	966,945	838,721
Non-current	**333,457**	388,152
Current	**633,488**	450,569
	966,945	838,721

(a) The currency exposure profile of deposits and placements of banks and other financial institutions is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**682,309**	435,417
- US Dollar	**284,636**	356,359
- Euro	**-**	46,945
	966,945	838,721

(b) These balances include an amount of RM269,652,000 (2024: RM313,527,000) received under government financing schemes for the purpose of SMEs lending at below-market and concessionary rates, with maturities ranging from 5.5 to 8.5 years and repayable between 2026 and 2031 (2024: maturities ranging from 5.5 to 8.5 years and repayable between 2026 and 2031).

41 BANKING-RELATED LIABILITIES - RECOURSE OBLIGATION ON FINANCING SOLD TO CAGAMAS

This represents proceeds received from housing financing sold directly to Cagamas Berhad, with recourse to the banking subsidiary. Under the agreements, the banking subsidiary undertakes to administer the financing on behalf of Cagamas Berhad and to repurchase any financing that is regarded as defective, based on prudential criteria set by Cagamas Berhad. These financial liabilities are stated at amortised cost.

42 TRADE AND OTHER PAYABLES

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Non-current					
Trade payables	(a)	**3,729**	4,331	**-**	-
Other payables	(b)	**46,608**	49,564	**-**	-
Other provisions	(c)	**1,491**	622		
Contract liabilities	(d)	**29,635**	25,638	**-**	-
		81,463	80,155	**-**	-
Current					
Trade payables	(a)	**1,823,785**	1,857,701	**-**	-
Other payables	(b)	**2,232,459**	1,955,939	**54,255**	74,145
Other provisions	(c)	**343,827**	367,846		
Contract liabilities	(d)	**116,813**	63,381	**-**	-
		4,516,884	4,244,867	**54,255**	74,145
Total		**4,598,347**	4,325,022	**54,255**	74,145

(a) Trade payables of the Group are analysed as follows:

	2025 Non-current RM'000	2025 Current RM'000	2024 Non-current RM'000	2024 Current RM'000
Group				
Third parties	**-**	**1,379,882**	-	1,577,492
Amount due to:				
- joint ventures	**-**	**277,191**	-	150,244
- associates	**-**	**13,989**	-	17,815
- related parties	**3,729**	**152,723**	4,331	112,150
	3,729	**1,823,785**	4,331	1,857,701

(i) Trade payables are non-interest-bearing and unsecured. The Group's normal trade payables terms range from 30 to 180 days (2024: 30 to 180 days).

(ii) Amounts due to joint ventures, associates and related parties are unsecured and non-interest-bearing. The normal credit terms range from 1 to 60 days (2024: 1 to 60 days).

42 TRADE AND OTHER PAYABLES (CONTINUED)

(a) Trade payables of the Group are analysed as follows: (continued)

(iii) Supply chain financing arrangement ("SCF") in an automotive subsidiary

Under this arrangement, banks agree to settle invoices owed by the subsidiary to participating suppliers and receive settlement from the subsidiary at a later date. The principal purpose of the arrangement is to facilitate efficient payment processing and enable participating suppliers to receive payment from the bank prior to the invoice due date.

The subsidiary has not derecognised the original liabilities subject to the arrangement as neither a legal release was obtained nor were the original liabilities substantially modified upon entering into the arrangement. From the subsidiary's perspective, the arrangement does not significantly extend payment terms beyond those agreed with non-participating suppliers, and no additional interest is incurred with the bank on the amounts due to suppliers. Accordingly, amounts subject to the SCF arrangement continue to be presented within trade payables as their nature and function remain consistent with other trade payables, with disaggregated disclosures provided in the notes. All payables under the SCF arrangement are classified as current as at 31 December 2025 and 31 December 2024.

	2025	**2024**
	RM'000	**RM'000**
Group		
Carrying amount of liabilities that are part of SCF		
Presented within trade payables		
- of which suppliers have received payment from finance provider	**48,917**	196,581
Range of payment due dates		
Liabilities that are part of SCF	**90 days from invoice date**	90 days from invoice date
Trade payables that are not part of SCF	**60 days from invoice date**	60 days from invoice date

Payments made by the subsidiary to the banks are included within operating cash flows as they form part of the normal operating cycle and retain their operating nature, being payments for the purchase of goods and services. Payments made by the banks to suppliers amounting to RM48,917,000 (2024: RM196,581,000) are treated as non-cash transactions.

Notes To The Financial Statements
- 31 December 2025

42 TRADE AND OTHER PAYABLES (CONTINUED)

(b) Other payables of the Group and of the Company are analysed as follows:

	2025		2024	
	Non-current	**Current**	**Non-current**	**Current**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Group				
Third parties	**46,608**	**599,117**	49,564	451,234
Amount due to:				
- joint ventures	**-**	**17**	-	11
- associates	**-**	**1,130**	-	1,422
- related parties	**-**	**850**	-	910
Accruals	**-**	**1,511,122**	-	1,392,183
Deposits refundable	**-**	**84,066**	-	79,196
GST payable	**-**	**134**	-	120
Interest payable	**-**	**33,134**	-	27,666
Payment in advance	**-**	**2,889**	-	3,197
	46,608	**2,232,459**	49,564	1,955,939

	2025	2024
	Current	**Current**
	RM'000	**RM'000**
Company		
Third parties	**926**	503
Amount due to subsidiaries	**17,217**	43,090
Accruals	**1,905**	1,994
Deposits refundable	**1,390**	1,390
Interest payable	**32,817**	27,168
	54,255	74,145

(i) Included in the amount due to subsidiaries of the Company is an amount of RM8,063,000 (2024: RM28,259,000) which is unsecured and interest-bearing. The interest rates range from 3.15% to 5.91% (2024: 3.00% to 5.81%) per annum.

(c) Included in other provisions is a provision for liquidated ascertained damages ("LAD") amounting to a net balance of RM45,477,000 (2024: RM99,408,000) related to a project with a customer. An amount owing from the said customer of RM39,904,000 had been set off against the total LAD provision recognised, with a further set-off of RM53,929,000 during the financial year. The arbitrary set-off forms part of the ongoing discussions with the customer to finalise the LAD amount, if any.

42 TRADE AND OTHER PAYABLES (CONTINUED)

(d) The breakdown of contract liabilities is as follows:

	2025 RM'000	2024 RM'000
Group		
Construction contracts	**8,181**	10,061
Deferred revenue	**99,029**	50,410
Property development activities	**36,227**	25,537
Others	**3,011**	3,011
Total	**146,448**	89,019

The increase in contract liabilities is primarily attributable to consideration received from vehicle sales that is allocated to goods sold and free services to be rendered in future periods, as well as progress billings issued to customers for land sales.

(e) The currency exposure profile of trade and other payables is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**3,841,099**	3,638,056
- US Dollar	**320,957**	376,111
- Renminbi	**232,652**	267,028
- Pound Sterling	**153,195**	7,292
- Thai Baht	**38,899**	26,271
- Japanese Yen	**6,121**	13
- Euro	**2,563**	8,892
- Indonesian Rupiah	**1,119**	558
- Other currencies	**1,742**	801
Total	**4,598,347**	4,325,022
Company		
- Ringgit Malaysia	**54,255**	74,145

43 BANK BORROWINGS

	Note	2025 RM'000	2024 RM'000
Group			
(i) Bank overdrafts - Secured		**911**	930

Notes To The Financial Statements
- 31 December 2025

43 BANK BORROWINGS (CONTINUED)

	Note	2025 RM'000	2024 RM'000
Group			
(ii) Other bank borrowings			
Secured			
Bankers' acceptances		**25,926**	66,477
Revolving credits		**62,547**	88,431
Short-term loans		**38,032**	36,557
Short-term Islamic financing		**98,364**	1,727
Hire purchase			
- portion repayable within 12 months	37	**30,583**	24,802
Long-term loans			
- portion repayable within 12 months	37	**52,801**	33,329
Long-term loans under Islamic financing			
- portion repayable within 12 months	37	**796,991**	493,561
Sub-total		**1,105,244**	744,884
Unsecured			
Bankers' acceptances		**423,976**	264,709
Revolving credits		**45,500**	50,000
Long-term loans			
- portion repayable within 12 months	37	**52,288**	-
Long-term loans under Islamic financing			
- portion repayable within 12 months	37	**8,216**	8,150
Sub-total		**529,980**	322,859
Total (Others - Secured and Unsecured)		**1,635,224**	1,067,743
Total bank borrowings		**1,636,135**	1,068,673
Company			
Other bank borrowings			
Secured			
Long-term loans under Islamic financing			
- portion repayable within 12 months	37	**414,312**	314,574
Unsecured			
Long-term loans			
- portion repayable within 12 months	37	**52,288**	-
Banker's acceptance	(a)	**-**	3,077
		52,288	3,077
Total bank borrowings		**466,600**	317,651

43 BANK BORROWINGS (CONTINUED)

(a) The banker's acceptance facility of the Company is on clean basis and is available for utilisation by the Company's subsidiaries via third party arrangements.

(b) The currency exposure profile of bank overdrafts and other bank borrowings is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**1,633,723**	1,041,872
- US Dollar	**2,412**	26,801
	1,636,135	1,068,673
Company		
- Ringgit Malaysia	**466,600**	317,651

(c) The secured bank overdrafts and other bank borrowings are secured by fixed and floating charges over shares in a subsidiary, property, plant and equipment, investment properties, inventories and receivables, including short-term deposits and cash and bank balances as disclosed in Notes 3, 13, 14, 15, 24, 25 and Note (c) to the statements of cash flows.

(d) The weighted average effective annual interest/profit rates of the bank overdrafts and other bank borrowings as at the reporting date are as follows:

	2025 %	2024 %
Group		
Bank overdrafts	**8.35**	8.35
Bankers' acceptances	**4.07**	4.27
Revolving credits	**4.78**	5.20
Short-term loans	**5.62**	5.82
Short-term Islamic financing	**4.47**	5.77
Company		
Banker's acceptance	**-**	4.41

44 BANKING-RELATED LIABILITIES - BILLS AND ACCEPTANCES PAYABLE

(a) The currency exposure profile of bills and acceptances payable is as follows:

	2025 RM'000	2024 RM'000
Group		
- Ringgit Malaysia	**11,375**	6,027

(b) The average maturity period of bills and acceptances payable ranges from one to three months (2024: one to three months).

45 MERGER RESERVE

Pursuant to Section 60(4)(a) of the former Companies Act 1965, the share premiums arising from shares issued by the Company as consideration for the acquisition of certain subsidiaries in the financial year ended 31 March 2001 were not recognised as share premium. Accordingly, the difference between the issue price and the nominal value of the shares issued was classified as merger reserve.

46 OTHER RESERVES

	2025 RM'000	2024 RM'000
Non-distributable		
Group		
Asset revaluation reserve on step-up acquisition of subsidiaries	**21,101**	21,101
Fair value reserve on property, plant and equipment	**206,681**	152,779
Redemption of Perpetual Sukuk	**(8,267)**	(8,267)
Reserve on valuation of post-employment benefit obligations	**(921)**	(963)
Share of joint ventures' reserves	**(1,211)**	(511)
Share of subsidiaries' reserves	**92,552**	108,678
Share of an associate's reserves	**-**	2,400
	309,935	275,217
Company		
Redemption of Perpetual Sukuk	**(8,267)**	(8,267)

47 RETAINED EARNINGS

The retained earnings of the Company as at 31 December 2025 is available for distribution as dividends.

48 SUMMARY OF EFFECTS OF ACQUISITION, INCORPORATION AND RE-ORGANISATION OF COMPANIES

2025

(i) Subsidiaries

(a) 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 principally involved in the sales of vehicles, parts and accessories for the global market.

(b) On 31 July 2025, HICOM Holdings Berhad ("HHB"), a direct wholly-owned subsidiary of the Group, entered into a conditional share sale agreement ("SSA") with Arah Kiara Sdn. Bhd. for the acquisition of 10,491,000 ordinary shares, representing the remaining 30% equity interest in Scott & English (Malaysia) Sdn. Bhd. ("SEM") for a cash consideration of RM20,000,000. As a result, SEM became an indirect wholly-owned subsidiary of the Group.

(c) On 28 November 2025, Proton Capital Sdn. Bhd. ("Proton Capital") was incorporated by PROTON, a direct 50.1% owned subsidiary of the Group. As a result, Proton Capital became an indirect 50.1% owned subsidiary of the Group. Proton Capital will be principally involved in the hire purchase, rental, leasing and subscription of motor vehicles, and the provision of services related to the automotive industry, including vehicle insurance and maintenance services.

(d) As disclosed in Note 54(a), CTRM AeroSystems Sdn. Bhd. ("CTRM AeroSystems" and formerly known as Spirit AeroSystems Malaysia Sdn. Bhd.) became an indirect wholly-owned subsidiary of the Group on 8 December 2025. Details of cash flow arising from the acquisition are as follows:

	RM'000
Purchase consideration	**464,198**
Cash and cash equivalents arising from acquisition of CTRM AeroSystems	**(77,594)**
Cash outflow from acquisition of CTRM AeroSystems	**386,604**

The purchase consideration was fully settled in cash and was funded through bank borrowings, as disclosed in Note 37(e)(iv).

The acquisition-related costs of RM7,466,000 were expensed and included under administrative expenses. The attributable costs of the bank borrowings amounting to RM6,930,000 have been capitalised as part of the bank borrowings.

The subsidiary acquired during the financial year contributed revenue of approximately RM114,912,000 and profit after taxation of approximately RM6,449,000 to the Group for the period from the date of acquisition to 31 December 2025. Had the acquisition taken effect at the beginning of the financial year, the revenue and profit after taxation contributed to the Group would have been RM1,259,276,000 and RM53,073,000, respectively.

Notes To The Financial Statements
- 31 December 2025

48 SUMMARY OF EFFECTS OF ACQUISITION, INCORPORATION AND RE-ORGANISATION OF COMPANIES (CONTINUED)

2025 (continued)

(i) Subsidiaries (continued)

(d) (continued)

Details of identifiable assets acquired, liabilities assumed and negative goodwill arising from the acquisition are as follows:

	Note	RM'000
Property, plant and equipment	13	**139,611**
Deferred tax assets	19	**3,350**
Inventories		**542,556**
Trade and other receivables		**371,039**
Tax recoverable		**2,777**
Cash and bank balances		**77,594**
Trade and other payables		**(265,999)**
Deferred grant income	34	**(67,042)**
Lease liabilities		**(5,273)**
Share of net assets acquired		**798,613**
Negative goodwill		**(334,415)**
Total purchase consideration		**464,198**

The business combination of CTRM AeroSystems was accounted for using the provisional fair values of its identifiable assets and liabilities. In accordance with MFRS 3 *Business Combinations*, the Group will carry out the Purchase Price Allocation ("PPA") exercise within 12 months from the acquisition date.

(e) On 30 December 2025, Pos Malaysia, a 53.5% owned subsidiary of the Group, completed the acquisition of the entire equity interest comprising 5,000,000 ordinary shares of RM1.00 each in PSH Express Sdn. Bhd. ("PSHE") from Posmen Sdn. Bhd., its wholly-owned subsidiary, via an internal reorganisation. As a result, PSHE became a direct wholly-owned subsidiary of Pos Malaysia.

(ii) Joint venture

(a) On 6 June 2025, New Energy Asia Sdn. Bhd. ("NEA") was incorporated pursuant to a joint venture agreement entered into on 11 April 2025 between HICOM Engineering Sdn. Bhd., an indirect wholly-owned subsidiary of the Group, and Hangzhou Flash Charging New Energy Co., Limited. As a result, NEA became an indirect 49% owned joint venture of the Group. NEA will be principally involved in the distribution, research and development, and manufacturing of electric vehicle charging equipment and battery energy storage systems.is classified as a joint venture and accounted using the equity method.

48 SUMMARY OF EFFECTS OF ACQUISITION, INCORPORATION AND RE-ORGANISATION OF COMPANIES (CONTINUED)

2024

(iii) Subsidiaries

(a) On 6 February 2024, Comtrac Sdn. Bhd. ("Comtrac"), an indirect wholly-owned subsidiary 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 ("HB"), an indirect wholly-owned subsidiary of the Group, via an internal re-organisation. As a result, GCD became a wholly-owned subsidiary of HB.

(b) On 26 February 2024, Pos Malaysia & Services Holdings Berhad, an indirect 53.5% owned subsidiary 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 53.5% owned subsidiary of the Group.

(c) 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 of the Group.

(d) On 1 August 2024, Pos Logistics Berhad ("PLB"), an indirect 53.5% owned subsidiary 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 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 of PLB.

(e) On 13 August 2024, ACOTech (Thailand) Co., Ltd. ("ACOTech (Thailand)") was incorporated by ACO Tech Sdn. Bhd. ("ACO Tech"), an indirect 30.06% owned subsidiary of the Group, and as a result, ACOTech (Thailand) became an indirect 30.06% owned subsidiary of the Group. ACOTech (Thailand) has yet to commence its operation and will provide connectivity services for Original Equipment Manufacturers, cloud services, mobile application development, dealer management system development, and information technology services.

(f) On 29 October 2024, HB Property Development Sdn. Bhd., an indirect wholly-owned subsidiary 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 of the Group.

48 SUMMARY OF EFFECTS OF ACQUISITION, INCORPORATION AND RE-ORGANISATION OF COMPANIES (CONTINUED)

2024 (continued)

(iii) Subsidiaries (continued)

(f) (continued)

Details of cash flow arising from the acquisition were as follows:

	RM'000
Purchase consideration, settled in cash	1,800
Cash and cash equivalents arising from acquisition of Dengkir Maju	(40)
Cash outflow from acquisition of Dengkir Maju	1,760

The subsidiary acquired during the financial year contributed revenue of approximately RM216,000 and profit after taxation of approximately RM45,000 to the Group for the period from the date of acquisition to 31 December 2024. Had the acquisition taken effect at the beginning of the financial year, the revenue and profit after taxation contributed to the Group would have been RM833,000 and RM36,000, respectively.

Details of identifiable assets acquired, liabilities assumed and goodwill arising from the acquisition were as follows:

	Note	Carrying value RM'000	Fair value RM'000
Trade and other receivables		185	185
Tax recoverable		96	96
Cash and bank balances		40	40
Trade and other payables		(98)	(98)
Share of net assets acquired		223	223
Goodwill	18		1,577
Total purchase consideration			1,800

During the financial year ended 31 December 2025, the Group has completed the PPA exercise to determine the fair values of the identifiable net assets of Dengkir Maju within the stipulated time period, i.e., 12 months from the acquisition date, which is 29 October 2024. The final goodwill of RM1,577,000 comprises the value of expected synergies arising from the acquisition, which is not separately recognised. Goodwill is allocated entirely to the services segment.

The adjusted fair values of Dengkir Maju's identifiable assets and liabilities have been reflected in the Consolidated Statement of Financial Position as at 31 December 2024.

48 SUMMARY OF EFFECTS OF ACQUISITION, INCORPORATION AND RE-ORGANISATION OF COMPANIES (CONTINUED)

2024 (continued)

(iii) Subsidiaries (continued)

(g) On 26 November 2024, ACO Tech (Hubei) Co. Ltd. ("ACO Tech (Hubei)") was incorporated by ACO Tech. As a result, ACO Tech (Hubei) became an indirect 30.06% owned subsidiary of the Group.

(iv) Joint ventures

(a) 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 50.1% owned joint venture company of the Group.

(b) On 29 November 2024, pursuant to an internal re-organisation exercise, HESB 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.

49 SUMMARY OF EFFECTS OF DILUTION AND DISPOSAL OF COMPANIES

2025

(i) Joint venture

(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.

(ii) Associates

(a) On 2 April 2025, CEN Sdn. Bhd. ("CEN"), an indirect 22.74% owned dormant associate of the Group, was dissolved. As a result, CEN ceased to be an associate of the Group.

(b) On 2 September 2025, Faurecia HICOM Emissions Control Technologies (M) Sdn. Bhd. ("Faurecia HICOM"), an indirect 35% owned dormant associate of the Group, was dissolved by court order. As a result, Faurecia HICOM ceased to be an associate of the Group.

Notes To The Financial Statements
- 31 December 2025

49 SUMMARY OF EFFECTS OF DILUTION AND DISPOSAL OF COMPANIES (CONTINUED)

2024

(iii) Subsidiaries

(a) On 28 February 2024, HHB 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 of the Group.

The effect of the disposal as above up to the date of disposal on the results of the Group were shown below:

	RM'000
Revenue	500
Cost of sales	(213)
Gross profit	287
Other income	925
Administrative expenses	(11)
Finance costs	(8)
Profit before taxation representing net profit	1,193

Below was the effect of the disposal on the financial position and the cash flows of the Group:

	RM'000
Inventories	736
Tax recoverable	170
Short-term deposits	615
Cash and bank balances	64
Trade and other payables	(1,130)
Bank overdrafts	(220)
Non-controlling interests	(322)
Share of net assets disposed	(87)
Gain on disposal of a subsidiary	87
Sale consideration	*
Less: short-term deposits, cash and bank balances and bank overdrafts of the subsidiary disposed	(459)
Net cash outflow from disposal of a subsidiary	(459)

** Represents RM2.*

(b) On 28 May 2024, DRB-HICOM SPV (Labuan) Limited ("SPV Labuan"), a direct wholly-owned subsidiary of the Group, was voluntarily wound up via members' voluntary winding up, and as a result, SPV Labuan ceased to be a subsidiary of the Group.

49 SUMMARY OF EFFECTS OF DILUTION AND DISPOSAL OF COMPANIES (CONTINUED)

2024 (continued)

(iv) Associates

(a) On 3 January 2024, Suzuki Motorcycle Malaysia Sdn. Bhd. ("SMM"), an indirect 29% owned dormant associate of the Group, was wound up. As a result, SMM ceased to be an indirect 29% owned associate of the Group.

(b) On 1 August 2024, Pos Malaysia, a direct 53.5% owned subsidiary of the Group, disposed its entire 50% 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 associate of the Group.

50 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

(a) Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party, or to exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel, being those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, either directly or indirectly, as well as entities that provide key management personnel services to the Group. Key management personnel comprise all the Directors of the Group and certain members of senior management of the Group.

The Group's and the Company's related parties include holding company, subsidiaries, joint ventures, associates and key management personnel.

Other than the disclosure set out in Notes 1 and 3, respectively, the following are other parties that have relationship with the Group and the Company, including parties with common shareholders, with whom the Group and the Company have significant related party transactions.

Related parties		Relationship
• Alam Flora Sdn. Bhd.	-	Companies with a common Shareholder
• Aliran Ihsan Resources Berhad	-	Companies with a common Shareholder
• Anglo-Oriental (Annuities) Sdn. Bhd.	-	Companies with a common Shareholder
• Big Tree Outdoor Sdn. Bhd.	-	Companies with a common Shareholder
• Changxing Geely Automobile Sales Co., Ltd.	-	Subsidiary of Zhejiang Geely Holding Group Co., Ltd. ("ZGH"), corporate shareholder of PROTON
• Central Sugars Refinery Sdn. Bhd.	-	Companies with a common Shareholder
• Commerce Dot Com Sdn. Bhd.	-	Companies with a common Shareholder

50 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(a) Identity of related parties (continued)

Related parties		Relationship
• Gas Malaysia Berhad	-	Companies with a common Shareholder
• Gas Malaysia Energy Advance Sdn. Bhd.	-	Companies with a common Shareholder
• Geely Automobile International Corporation	-	Subsidiary of ZGH
• Hunan Geely Automobile International Corporation	-	Subsidiary of ZGH
• Jasmine Food Corporation Sdn. Bhd.	-	Companies with a common Shareholder
• Johor Port Berhad	-	Companies with a common Shareholder
• Kapar Energy Ventures Sdn. Bhd.	-	Companies with a common Shareholder
• Malakoff Radiance Sdn. Bhd.	-	Companies with a common Shareholder
• Manjara Sdn. Bhd.	-	Companies with a common Shareholder
• Media Prima Berhad	-	Companies with a common Shareholder
• Media Prima Omnia Sdn. Bhd.	-	Companies with a common Shareholder
• Metropolitan TV Sdn. Bhd.	-	Companies with a common Shareholder
• MMC Corporation Berhad	-	Companies with a common Shareholder
• MYTV Broadcasting Sdn. Bhd.	-	Companies with a common Shareholder
• Ningbo Geely Automobile Research and Development Co., Ltd.	-	Subsidiary of ZGH
• Ningbo Geely Royal Engine Components Co., Ltd.	-	Subsidiary of ZGH
• Padiberas Nasional Berhad	-	Companies with a common Shareholder
• Penang Port Sdn. Bhd.	-	Companies with a common Shareholder
• Percetakan Nasional Malaysia Berhad	-	Companies with a common Shareholder
• Puncak Hartanah Intelek Sdn. Bhd.	-	Companies with a common Shareholder
• Puncak Tegap Sdn. Bhd.	-	Companies with a common Shareholder
• REV Social Malaysia Sdn. Bhd.	-	Companies with a common Shareholder
• Sistem Televisyen Malaysia Berhad	-	Companies with a common Shareholder
• STMB Properties Sdn. Bhd.	-	Companies with a common Shareholder
• Syarikat Faiza Sdn. Bhd.	-	Companies with a common Shareholder
• Tanjung Bin Power Sdn. Bhd.	-	Companies with a common Shareholder
• Tanjung Bruas Port Sdn. Bhd.	-	Companies with a common Shareholder
• Tradewinds Plantation Berhad	-	Companies with a common Shareholder
• Geely Changxing Automatic Transmission Co., Ltd.	-	Subsidiary of ZGH
• Zhejiang Geely Auto Engineering Technology Development Co., Ltd.	-	Subsidiary of ZGH

50 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(b) Significant transactions and balances with related parties

In addition to the related party disclosures presented elsewhere in the financial statements, set out below are other related party transactions that were entered into in the normal course of business under negotiated trade terms.

Outstanding balances as at the end of the reporting period are unsecured and settlement is expected to be in cash, unless otherwise stated. As at the reporting date, impairment assessments are performed by evaluating the financial position of the related parties and the markets in which they operate. The balances arising from the transactions below are presented in Notes 25 and 42, respectively.

		Group		Company	
		2025	**2024**	**2025**	**2024**
		RM'000	**RM'000**	**RM'000**	**RM'000**
(i)	**With subsidiaries**				
	Dividend income	**-**	-	**84,752**	174,423
	Interest income	**-**	-	**57,849**	52,838
	Year-end balances				
	- Short-term deposits with Bank Muamalat	**-**	-	**86,860**	80,000
(ii)	**With joint ventures**				
	Sale of goods/services	**206,384**	153,972	**-**	-
	Purchase of goods/services	**783,127**	681,062	**-**	-
	Dividend income	**-**	-	**13,589**	17,994
(iii)	**With associates**				
	Sale of goods/services	**222,942**	**310,920**	**-**	-
	Purchase of services	**85,653**	**87,970**	**-**	-
	Dividend income	**-**	-	**142,120**	123,420
	Year-end balances - banking				
	- Short-term deposits with Bank Muamalat	**80,862**	80,795	**-**	-
(iv)	**With related parties**				
	Sale of goods/services				
	- Alam Flora Sdn. Bhd.	**64,683**	5,855		
	- Padiberas Nasional Berhad	**24,807**	27,096	**-**	-

50 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(b) Significant transactions and balances with related parties (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(iv) With related parties: (continued)				
Sale of goods/services (continued)				
- Percetakan Nasional Malaysia Berhad	**18,015**	14,565	**-**	-
- Central Sugars Refinery Sdn. Bhd.	**4,787**	11,813	**-**	-
Purchase of goods/services				
- Changxing Geely Automobile Sales Co., Ltd.	**213,729**	456,034	**-**	-
- Geely Automobile International Corporation	**403,076**	444,994	**-**	-
- Hunan Geely Automobile International Corporation	**491,891**	291,258	**-**	-
- Ningbo Geely Automobile Research and Development Co., Ltd.	**127,972**	109,519	**-**	-
- Geely Changxing Automatic Transmission Co., Ltd.	**113,106**	-	**-**	-
- Zhejiang Geely Auto Engineering Technology Development Co., Ltd.	**117,422**	-	**-**	-
- Ningbo Geely Royal Engine Components Co., Ltd.	**33,508**	55,480	**-**	-
- Gas Malaysia Berhad	**12,349**	14,604	**-**	-
- Malakoff Radiance Sdn. Bhd.	**-**	10,421	**-**	-

50 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(b) Significant transactions and balances with related parties (continued)

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
(iv) With related parties: (continued)				
Year-end balances - banking				
- Short-term deposits with Bank Muamalat				
- Penang Port Sdn. Bhd.	**180,273**	-	**-**	-
- Padiberas Nasional Berhad	**159,696**	59,748	**-**	-
- Media Prima Omnia Sdn. Bhd.	**61,338**	42,148	**-**	-
- MMC Corporation Berhad	**60,608**	176,155	**-**	-
- Media Prima Berhad	**50,149**	22,346	**-**	-
- Tradewinds Plantation Berhad	**32,838**	150,000	**-**	-
- Percetakan Nasional Malaysia Berhad	**17,331**	-	**-**	-
- Alam Flora Sdn. Bhd.	**16,768**	123,075	**-**	-
- REV Social Malaysia Sdn. Bhd.	**16,249**	15,709	**-**	-
- Sistem Televisyen Malaysia Berhad	**13,095**	20,275	**-**	-
- Metropolitan TV Sdn. Bhd.	**11,809**	11,416	**-**	-
- Big Tree Outdoor Sdn. Bhd.	**10,713**	30,959	**-**	-
- MYTV Broadcasting Sdn. Bhd.	**8**	12,477	**-**	-
- Tanjung Bin Power Sdn. Bhd.	**-**	183,091	**-**	-
- Revolving financing with Bank Muamalat				
- Anglo-Oriental (Annuities) Sdn. Bhd.	**342,910**	453,112	**-**	-
- Tradewinds Plantation Berhad	**75,137**	75,170	**-**	-
- Padiberas Nasional Berhad	**74,371**	-	**-**	-

50 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(b) Significant transactions and balances with related parties (continued)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
(iv) With related parties: (continued)				
Year-end balances - banking (continued)				
- Revolving financing with Bank Muamalat (continued)				
- Central Sugars Refinery Sdn. Bhd.	**30,085**	170,201	**-**	-
- Aliran Ihsan Resources Berhad	**25,438**	26,331	**-**	-
- Term loans with Bank Muamalat				
- Puncak Tegap Sdn. Bhd.	**295,091**	256,751	-	-
- STMB Properties Sdn. Bhd.	**112,499**	119,999	**-**	-
- Media Prima Berhad	**100,390**	105,285	**-**	-
- Commerce Dot Com Sdn. Bhd.	**66,748**	-	**-**	-
- Puncak Hartanah Intelek Sdn. Bhd.	**19,080**	-	**-**	-
- Gas Malaysia Energy Advance Sdn. Bhd.	**18,179**	22,044	**-**	-
- Manjara Sdn. Bhd.	**-**	24,167	**-**	-
- Tanjung Bruas Port Sdn. Bhd.	**10,081**	12,412	**-**	-
- Trade line with Bank Muamalat				
- Padiberas Nasional Berhad	**258,299**	328,307	**-**	-
- Jasmine Food Corporation Sdn. Bhd.	**78,882**	66,967	**-**	-
- Syarikat Faiza Sdn. Bhd.	**45,356**	62,441	**-**	-
- Central Sugars Refinery Sdn. Bhd.	**-**	170,201	**-**	-

50 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(b) Significant transactions and balances with related parties (continued)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
(iv) With related parties: (continued)				
- Trade line with Bank Muamalat (continued)				
- Commerce Dot Com Sdn. Bhd.	**-**	99,035	**-**	-
- Kapar Energy Ventures Sdn. Bhd.	**-**	8,482	**-**	-
- Cash line with Bank Muamalat				
- Puncak Tegap Sdn. Bhd.	**11,955**	-	**-**	-
(v) Key management compensation				
- Salaries, bonuses, allowances and other benefits	**10,252**	12,185	**-**	-
- Defined contribution plan	**1,593**	1,895	**-**	-

Notes To The Financial Statements
- 31 December 2025

51 CAPITAL AND OTHER COMMITMENTS

(a) Non-banking

Capital commitments as at the reporting date are as follows:

	2025 RM'000	2024 RM'000
Group		
Capital expenditure for property, plant and equipment and intangible assets, not provided for in the financial statements		
- Authorised and contracted for	**462,888**	548,860
- Authorised but not contracted for	**3,310,771**	3,664,624
	3,773,659	4,213,484

(b) Banking

In the normal course of business, the banking subsidiary enters into various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are expected to arise from these transactions. The risk-weighted exposures of the banking subsidiary are as follows:

	Principal amount RM'000	Credit equivalent amount RM'000	Total risk weighted amount RM'000
2025			
Contingent liabilities			
Direct credit substitutes	**964,294**	**964,294**	**933,859**
Trade-related contingencies	**387,443**	**77,489**	**9,422**
Transaction related contingencies	**496,576**	**248,288**	**233,613**
Commitments			
Credit extension commitment:			
- Maturity within one year	**906,304**	**181,261**	**161,252**
- Maturity exceeding one year	**1,352,362**	**676,181**	**311,145**
Other miscellaneous commitments & contingencies	**561,878**	**90,151**	**67,750**
Islamic derivative financial instruments			
Foreign exchange related contracts	**1,571,402**	**37,100**	**28,005**
	6,240,259	**2,274,764**	**1,745,046**

51 CAPITAL AND OTHER COMMITMENTS (CONTINUED)

(b) Banking (continued)

	Principal amount RM'000	Credit equivalent amount RM'000	Total risk weighted amount RM'000
2024			
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

52 GROUP SEGMENT REPORTING

During the financial year under review, Management reassessed the Group's reportable operating segments in accordance with MFRS 8 *Operating Segments*. The reassessment considered the identification of the Chief Operating Decision Maker (CODM) and the availability of discrete financial information for the Group's key business activities. Following this review, Management introduced a new Mobility segment to reflect the Group's strategic shift towards an integrated mobility ecosystem, encompassing new energy vehicles, air mobility, connected platforms and related solutions. Based on their similar economic characteristics, integrated value chains, regulatory environment and strategic alignment, the Automotive and Aerospace and Defence businesses were aggregated into the Mobility segment. The Mobility segment now comprises automotive distribution, manufacturing and engineering, composite manufacturing and defence assembly under a unified mobility-driven strategy. Accordingly, the Group's reportable segments were reduced from six to five. Correspondingly, the comparatives have been restated to conform with the current year's reportable segments.

Notes To The Financial Statements
- 31 December 2025

52 GROUP SEGMENT REPORTING (CONTINUED)

Business segment	Description
Mobility	Manufacturing, assembly, vehicle importation, vehicle pre-delivery inspection, vehicle leasing, distribution and sale of motor vehicles, sale of motorcycles, composite manufacturing, sale of military vehicles and special-purpose vehicles (including sale of related spare parts and services), and yard-management services.
Postal	Mail, courier, retail, airport ground handling business, integrated logistics and inventory solutions, and others.
Banking	Islamic banking and related financial services.
Services	Vehicles inspection services, higher education and vocational training institution and security services.
Properties	Property concession, holding and development.

Investment Holding and Others comprise investment holding activities, corporate headquarter and corporate assets.

The Management Committee, which acts as the CODM, monitors the operating results of the Group's business units separately for the purpose of resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with the profit or loss in the consolidated financial statements.

(a) Primary reporting format - business segments

Inter-segment revenue comprises revenue from transactions with other business segments, carried out in the normal course of business under negotiated terms.

Segment results represent segment revenue less segment expenses. Unallocated expenses represent corporate operating and administrative expenses.

Segment assets consist primarily of property, plant and equipment, investment properties, inventories (including land held for property development and property development costs), receivables, investment securities, banking-related assets, cash and bank balances and derivative assets. Segment liabilities comprise mainly payables, banking-related liabilities, provisions for liabilities and charges, lease liabilities and derivative liabilities. Unallocated liabilities comprises accruals for corporate operating and administrative expenses.

Capital expenditure comprises additions to property, plant and equipment, investment properties, intangible assets, land held for property development, and property development costs.

(b) Secondary reporting format - geographical segment

The Group's secondary format by geographical location is not presented, as the Group's activities are predominantly conducted in Malaysia and the overseas segment does not contribute more than 10% of the consolidated revenue and assets.

52 GROUP SEGMENT REPORTING (CONTINUED)

The information of each of the Group's business segments for the financial year ended 31 December 2025 is as follows:

Primary reporting format - business segment

	Mobility RM'000	Postal RM'000	Banking RM'000	Services RM'000	Properties RM'000	Investment holding and Others RM'000	Group RM'000
Revenue							
Total revenue	12,814,101	1,826,047	2,229,181	217,043	301,710	30,369	17,418,451
Inter-segment revenue	(23,570)	(26,726)	(22,997)	(2,756)	(2,505)	(30,369)	(108,923)
External revenue	12,790,531	1,799,321	2,206,184	214,287	299,205	-	17,309,528
Results							
Segment profit/(loss)	283,059	(164,893)	330,362	(8,063)	120,953	63,038	624,456
Unallocated expenses							(118,320)
Interest income	50,664	635	-	337	3,639	14,799	70,074
Negative goodwill arising from acquisition of a subsidiary	334,415	-	-	-	-	-	334,415
Finance costs	(169,221)	(20,932)	(93,995)	(3,117)	(43,396)	(183,808)	(514,469)
Share of results of joint ventures (net of tax)	120,994	-	-	-	(5,249)	-	115,745
Share of results of associates (net of tax)	141,988	(6)	-	-	-	-	141,982
Profit before taxation							653,883
Taxation	62,800	(21,643)	(73,220)	(4,781)	(25,639)	(2,645)	(65,128)
Net profit for the financial year							588,755
Attributable to:							
Owners of the Company							397,973
Holders of Perpetual Sukuk							37,125
Non-controlling interests							153,657

52 GROUP SEGMENT REPORTING (CONTINUED)

Primary reporting format - business segment (continued)

	Mobility RM'000	Postal RM'000	Banking RM'000	Services RM'000	Properties RM'000	Investment holding and Others RM'000	Group RM'000
Other information							
Segment assets	10,472,207	1,714,349	45,321,264	194,953	5,467,706	220,349	63,390,828
Interest-bearing short-term deposits							328,218
Taxation assets							516,365
Joint ventures	592,503	-	-	-	2,417	-	594,920
Associates	897,908	40,946	-	-	-	-	938,854
Assets held for sale	144	-	-	-	-	-	144
Total assets							65,769,329
Segment liabilities	4,676,518	706,859	40,420,475	97,640	355,399	46,229	46,303,120
Bank borrowings							8,349,290
Taxation liabilities							265,486
Unallocated liabilities							27,258
Total liabilities							54,945,154
Capital expenditure	923,745	51,626	60,507	17,955	6,746	364	1,060,943
Depreciation and amortisation	1,017,082	127,335	61,377	20,474	10,537	3,668	1,240,473
Impairment loss/(reversal of impairment loss)	349,214	3,015	(365)	-	-	-	351,864

52 GROUP SEGMENT REPORTING (CONTINUED)

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

Primary reporting format - business segment

	Mobility RM'000	Postal RM'000	Banking RM'000	Services RM'000	Properties RM'000	Investment holding and Others RM'000	Group RM'000
Revenue							
Total revenue	11,938,191	1,839,669	2,128,326	190,446	211,122	25,402	16,333,156
Inter-segment revenue	(12,893)	(70,195)	(14,329)	(858)	(18,715)	(25,402)	(142,392)
External revenue	11,925,298	1,769,474	2,113,997	189,588	192,407	-	16,190,764
Results							
Segment profit/(loss)	363,362	(148,554)	201,050	(17,330)	102,165	48,714	549,407
Unallocated expenses							(100,758)
Interest income	41,208	956	-	513	5,135	13,602	61,414
Finance costs	(170,491)	(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 associates (net of tax)	158,937	85	-	-	-	-	159,022
Profit before taxation							247,390
Taxation	(59,605)	(21,976)	(34,035)	(2,519)	(21,526)	(1,957)	(141,618)
Net profit for the financial year							105,772
Attributable to:							
Owners of the Company							22,554
Holders of Perpetual Sukuk							37,227
Non-controlling interests							45,991

Notes To The Financial Statements
- 31 December 2025

52 GROUP SEGMENT REPORTING (CONTINUED)

Primary reporting format - business segment (continued)

	Mobility RM'000	Postal RM'000	Banking RM'000	Services RM'000	Properties RM'000	Investment holding and Others RM'000	Group RM'000
Other information							
Segment assets	8,495,612	1,804,088	43,069,240	189,570	5,455,636	263,796	59,277,942
Interest-bearing short-term deposits							990,046
Taxation assets							417,571
Joint ventures	554,358	-	-	-	7,666	-	562,024
Associates	974,868	40,952	-	-	-	-	1,015,820
Assets held for sale	495	-	-	-	-	-	495
Total assets							62,263,898
Segment liabilities	4,386,776	806,263	38,784,463	86,412	314,378	33,988	44,412,280
Bank borrowings							7,279,793
Taxation liabilities							256,857
Unallocated liabilities							27,764
Total liabilities							51,976,694
Capital expenditure	624,835	52,472	69,475	27,082	26,773	3,411	804,048
Depreciation and amortisation	927,163	149,215	58,622	27,632	24,422	3,494	1,190,548
Impairment loss/(reversal of impairment loss)	370	(5,577)	45,069	-	179	-	40,041

53 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future events and hence, resulting in accounting estimates. To enhance the information content of the estimates, certain key assumptions that are expected to have a material impact to the Group's financial performance and financial position are subjected to sensitivity analysis based on changes in the underlying assumptions. The estimates and assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(a) Impairment of property, plant and equipment and other intangible assets

The Group tests property, plant and equipment and other intangible assets for impairment whenever there are indicators of impairment. The recoverable amounts are determined based on the higher of VIU and FVLCD. Estimation of recoverable amounts using the VIU approach involves forecasting future cash inflows and outflows derived from the assets or CGUs and discounting them at an appropriate discount rate. Determination of recoverable amounts using the FVLCD method involves significant judgement and the use of unobservable inputs and assumptions.

(b) Impairment of goodwill under intangible assets

The Group tests goodwill for impairment at least annually. For the purpose of impairment assessment, goodwill is allocated to CGUs that are expected to benefit from the synergies of the business combination in which the goodwill originated. The recoverable amounts of goodwill are determined based on the higher of VIU and FVLCD. Significant judgement is required in estimating he present value of future cash flows to be generated by the CGUs, as the assessment involves uncertainties and is highly sensitive to assumptions relating to future cash flows and discount rates. Changes in these assumptions could materially affect the outcome of the Group's goodwill impairment assessments.

(c) Impairment of loans and receivables

The Group applies the simplified approach under MFRS 9 to measure expected credit losses, which requires the use of a lifetime expected loss allowance for all trade receivables and contract assets. In measuring the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. Contract assets relate to unbilled work-in-progress and have substantially similar risk characteristics to the trade receivables arising from the same types of contracts.

53 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(d) Impairment of banking-related assets - financing of customers

Significant financing to customers are reviewed individually at each reporting date to assess whether an impairment loss should be recognised in profit or loss. Management judgement is required in estimating the amount and timing of future cash flows when determining impairment losses. In estimating these cash flows, judgements are made regarding the customer's financial position and the net realisable value of collateral. These estimates are based on a number of assumptions and actual outcomes may differ, resulting in future changes to the impairment allowances. The ECL calculations under MFRS 9 are derived from complex models that incorporate multiple assumptions, including the selection of variable inputs and their interdependencies.

The exposures of financing to customers that have been assessed individually but for which no impairment is required, together with individually insignificant financing exposures, are assessed collectively by grouping assets with similar credit risk characteristics. This collective assessment is performed to determine whether impairment losses should be recognised for expected loss events for which there is objective evidence, but the effects of which are not yet evident. The collective assessment takes into account data from the financing portfolio, such as credit quality, levels of arrears, credit utilisation, financing-to-collateral ratios and other relevant factors, as well as management judgement on the impact of risk concentrations, including the performance of different customer segments.

(e) Impairment of investment in subsidiaries

The Company tests its investments in subsidiaries for impairment whenever there is an indication of impairment. The recoverable amounts are determined based on the higher of VIU and FVLCD. Where the recoverable amount is determined using the VIU method, significant judgement is required in estimating the present value of future cash flows expected to be generated by the subsidiaries. This assessment involves inherent uncertainties and is sensitive to assumptions and judgements applied in estimating future cash flows and discount rates. Where the recoverable amount is determined using the FVLCD method, the key inputs and assumptions applied are disclosed in Note 15(e).

(f) Construction contracts and property development activities

The Group recognises revenue using the percentage-of-completion method. The stage of completion is measured by reference to the costs incurred to date relative to the estimated total costs. Judgement is required in determining the stage of completion, the extent of costs incurred, the estimated total revenue (other than for fixed-price contracts) and estimated total costs, as well as the recoverability of receivables. In making these judgements, the Group relies on past experience and, where appropriate, the work of specialists.

53 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(g) Estimate of fair value of investment properties

The Group and the Company estimate the fair values of their investment properties using the investment and market comparison methods. The fair values of the investment properties are determined by independent professional valuers who have appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. The independent professional valuers provide annual valuations of the Group's and the Company's investment property portfolios. The principal assumptions underlying these valuations are further disclosed in Note 55(c)(v).

(h) Fair value estimation of derivative financial instruments, investment securities: financial assets at FVTPL and FVOCI

For financial instruments measured at fair value, where fair values cannot be derived from active markets, the fair values are determined using a variety of valuation techniques, including the use of mathematical models. While the Group generally applies widely recognised valuation models using market-observable inputs, judgement is required where observable market data are not available. Such judgement typically incorporates assumptions that market participants would use in their valuations, including assumptions relating to profit rate yield curves, exchange rates, volatilities, and prepayment and default rates.

(i) Determining the lease term of contracts with renewal and termination options - Group as lessee

The Group determines the lease term as the non-cancellable period of the lease, together with any periods covered by an option to extend the lease where it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease where it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. Judgement is applied in assessing whether it is reasonably certain that the Group will exercise an option to extend or terminate a lease. In making this assessment, the Group considers all relevant facts and circumstances that create an economic incentive to exercise, or not to exercise, such options. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise, or not to exercise, an extension or termination option (for example, the construction of significant leasehold improvements or significant customisation of the leased asset).

Renewal periods are included as part of the lease term for leases of plant and machinery with shorter non-cancellable periods. The Group typically exercises renewal options for these leases, as failure to renew would result in a significant negative impact on production where replacement assets are not readily available. Conversely, renewal periods for leases of plant and machinery with longer non-cancellable periods are not included as part of the lease term, as these options are not considered reasonably certain to be exercised. In addition, renewal options for leases of motor vehicles are not included in the lease term, as the Group typically leases motor vehicles for periods not exceeding five years and does not ordinarily exercise renewal options.

Notes To The Financial Statements
- 31 December 2025

53 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(i) Determining the lease term of contracts with renewal and termination options - Group as lessee (continued)

Periods covered by termination options are included as part of the lease term only when it is reasonably certain that such options will not be exercised. Information on undiscounted potential future lease payments relating to periods following the exercise date of extension and termination options that are not included in the lease term is disclosed in Note 38.

(j) Classification of leases - as lessor

The Group, as the lessor, has entered into long-term leasing agreements for certain motor vehicles with its customers as lessees. In assessing the classification of these leases, the Group considered the following factors:

(i) The legal titles to the motor vehicles is not transferred to the lessees at the end of the lease term;

(ii) The lessees do not have options to purchase the motor vehicles;

(iii) The lease terms do not represent a major part of the economic lives of the motor vehicles;

(iv) At lease inception, the present value of the minimum lease payments does not amount to substantially all of the fair value of the leased motor vehicles; and

(v) The leased motor vehicles are not of a specialised nature.

Based on the above assessment, management concluded the Group retains substantially all the significant risks and rewards incidental to ownership of the motor vehicles. Accordingly, the leasing agreements are accounted for as operating leases.

(k) Provision for claims from suppliers

The provision for claims from suppliers is determined based on the shortfall between actual order volumes and the volumes required for vendors to recover their tooling costs. The provision recognised represents management's estimate of the expected settlement amounts for such claims, which are subject to negotiation with suppliers on a case-by-case basis. It is expected that the majority of the provision for claims from suppliers relating to vehicle models will be utilised within one to three years from the reporting date. Any deviations from the original estimates will result in adjustments to the carrying amount of the provision and will be recognised in profit or loss in the period in which the estimates are revised.

The carrying amount of the provision for claims from suppliers is disclosed in Note 35.

53 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(l) Provision for product warranties

Certain subsidiaries recognise provisions for product warranties based on assessments of historical experience and industry averages for defective production. The quantification of warranty obligations requires the application of judgement and estimates. Any deviations from the original estimates will result in adjustments to the carrying amount of the provision and will be recognised in profit or loss in the period in which the estimates are revised.

The carrying amount of the provision for product warranties for defective works is disclosed in Note 35.

(m) Deferred tax assets

Deferred tax assets are recognised for unutilised tax losses, unabsorbed capital allowances, unutilised reinvestment allowances, unutilised investment tax allowances and other deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the losses and tax allowances can be utilised. Significant management judgement is required in determining the amount of deferred tax assets that can be recognised, based on the expected timing and level of future taxable profits; as well as future tax planning strategies.

(n) Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(i) Identifying performance obligations in a bundled sale of goods and services

The Group enters into various revenue contracts with customers which includes bundled goods or services. Significant management judgement is required to determine whether these bundled goods or services are separate performance obligations. Accordingly, management has outlined a two-step process to determine whether a contract with bundled goods or services shall be recognised separately as follows:

i. Consideration at the level of the individual goods or services of whether the customers can benefit from the goods or service on its own or with other readily available resources; and

ii. Consideration of whether the goods or services are separately identifiable from other promises in the contract.

Both of these criteria must be met to conclude that the goods or services shall be accounted for as a separate unit of account, i.e., a performance obligation.

53 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(n) Revenue from contracts with customers (continued)

(ii) Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of goods include volume rebates that give rise to variable consideration. In estimating variable consideration, the Group is required to apply either the expected value method or the most likely amount method, depending on which method better predicts the amount of consideration to which the Group expects to be entitled.

The Group has determined that the expected value method is appropriate for estimating variable consideration arising from sales of goods with rights of return, given the large number of customer contracts with similar characteristics. In estimating variable consideration for sales of goods with volume rebates, the Group has determined that a combination of the most likely amount method and the expected value method is appropriate. The method selected is driven primarily by the number of volume thresholds specified in the contract and the method that best predicts the amount of variable consideration.

The most likely amount method is applied to contracts that contain a single volume threshold, while the expected value method is applied to contracts that contain more than one volume threshold.

(iii) Principal versus agent considerations

The Group enters into contracts with customers to acquire goods produced by foreign suppliers on the customers' behalf. Under these arrangements, the Group provides procurement services, including coordinating the selection of suitable suppliers and managing the ordering and delivery of the goods. The Group has determined that it does not control the goods before they are transferred to customers, as it does not have the ability to direct the use of the goods or obtain substantially all of the benefits from them. The following factors indicate that the Group does not control the goods prior to transfer to customers and, accordingly, acts as an agent in these arrangements:

- The Group is not primarily responsible for fulfilling the promise to provide the goods to customers.

- The Group does not bear inventory risk before or after the goods are transferred to customers, as purchases are made only upon customer approval and the foreign suppliers ship the goods directly to the customers.

- The Group does not have discretion in establishing the prices of the specified goods. The Group's consideration under these contracts is limited to the difference between the maximum purchase price quoted by the customer and the final price negotiated by the Group with the foreign suppliers.

In addition, the Group concluded that control over its services, being the arrangement for the provision of goods from foreign suppliers, is transferred at a point in time upon receipt of the goods by the customers, as this is when the customers obtain the benefits of the Group's agency services.

53 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(n) Revenue from contracts with customers (continued)

(iv) Consideration of significant financing component in a contract

The Group has determined that certain construction contracts contain significant financing components. Accordingly, the transaction prices of these contracts are discounted to reflect the effects of the significant financing components.

In determining the interest rate to be applied to the consideration, the Group concluded that the interest rate implicit in the contract, being the rate that discounts the transaction price (the consideration agreed with the customer before adjusting for any financing component) to the cash selling price of the construction services at contract inception, is appropriate. This rate is considered commensurate with the rate that would be reflected in a separate financing transaction between the Group and its customer at the inception of the contract.

54 SIGNIFICANT AND SUBSEQUENT EVENTS

(a) On 8 August 2025 and 23 October 2025, Composites Technology Research Malaysia Sdn. Bhd. (“CTRM” and now known as CTRM Holdings Sdn. Bhd.), a direct wholly-owned subsidiary of DRB-HICOM Berhad (“DRB-HICOM”), entered into a conditional Share Purchase Agreement (“SPA”) and a supplemental agreement (“Amendment SPA”) (collectively referred to as the “SPA”) with Spirit AeroSystems, Inc. and Spirit AeroSystems International Holdings, Inc. to acquire the entire equity interest in Spirit AeroSystems Malaysia Sdn. Bhd. (“Spirit MY”) (the “Proposed Acquisition”).

The purchase consideration is based on an enterprise value of USD95,200,000, subject to adjustments for Spirit MY’s cash, indebtedness, and any excess or shortfall in net working capital measured as at the end of the day immediately prior to the SPA completion date, against a target net working capital of USD155,000,000. No adjustment will be made if Spirit MY’s net working capital at that time falls between USD140,000,000 and USD170,000,000 (both figures inclusive).

The Proposed Acquisition was subject to the fulfilment of the closing conditions under the SPA, which include, among others:

(i) approval from the European Commission, which was obtained on 14 October 2025;

(ii) shareholders’ approval, which was obtained at the Extraordinary General Meeting convened on 14 November 2025; and

(iii) approval from the United States Federal Trade Commission, which was obtained on 4 December 2025.

On 4 December 2025, the estimated purchase consideration of USD110,618,000 (equivalent to RM464,198,000) was determined in accordance with the SPA.

54 SIGNIFICANT AND SUBSEQUENT EVENTS (CONTINUED)

(a) (continued)

Upon the fulfilment of all closing conditions and completion of the Proposed Acquisition on 8 December 2025, Spirit MY became an indirect wholly-owned subsidiary of DRB-HICOM. On 15 January 2026, Spirit MY changed its name to CTRM AeroSystems Sdn. Bhd.

(b) On 26 February 2026, Pos Malaysia Berhad, a direct 53.5% owned subsidiary of the Group, announced the establishment of a subordinated perpetual Islamic notes programme with a nominal value of RM1,000,000,000 under the Shariah principle of Wakalah Bi Al-Istithmar. The programme is intended to finance the capital expenditure, investment activities, working capital requirements, and other general corporate purposes. The issuance of the first tranche amounting to RM300,000,000 was successfully completed on 17 March 2026.

55 FAIR VALUE MEASUREMENT

(a) Financial and non-financial instruments measured at fair value.

The table below provides the fair value measurement hierarchy of the Group's and of the Company's assets and liabilities:

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Group				
2025				
Assets measured at fair value:				
Investment securities: financial assets at FVOCI	84,862	7,886,717	4,631	7,976,210
Investment securities: financial assets FVTPL	29,385	72,174	16,573	118,132
Financing of customers	-	-	288,554	288,554
Derivative assets	-	13,549	1,626	15,175
Investment properties	-	-	662,494	662,494
	114,247	7,972,440	973,878	9,060,565
Liabilities measured at fair value:				
Derivative liabilities	-	27,425	-	27,425

55 FAIR VALUE MEASUREMENT (CONTINUED)

(a) Financial and non-financial instruments measured at fair value. (continued)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2024				
Assets measured at fair value:				
Investment securities: financial assets at FVOCI	136,877	7,428,863	4,631	7,570,371
Investment securities: financial assets at FVTPL	5,698	7,188	89,266	102,152
Financing of customers	-	-	337,972	337,972
Derivative assets	-	23,750	1,626	25,376
Investment properties	-	-	467,042	467,042
	142,575	7,459,801	900,537	8,502,913
Liabilities measured at fair value:				
Derivative liabilities	-	19,940	-	19,940
Company				
2025				
Assets measured at fair value:				
Investment properties	**-**	**-**	**126,223**	**126,223**
RCCPS	**-**	**-**	**152,751**	**152,751**
RPS	**-**	**-**	**416,869**	**416,869**
	-	**-**	**695,843**	**695,843**
2024				
Assets measured at fair value:				
Investment properties	-	-	126,223	126,223
RCCPS	-	-	294,233	294,233
RPS	-	-	359,053	359,053
	-	-	779,509	779,509

There is no transfer from Levels 1, 2 and 3 during the financial year.

Notes To The Financial Statements
- 31 December 2025

55 FAIR VALUE MEASUREMENT (CONTINUED)

(a) Financial and non-financial instruments measured at fair value. (continued)

For fair value measurements categorised within Levels 2 and 3 of the fair value hierarchy, fair values are determined using appropriate valuation techniques. These techniques include valuation models such as discounted cash flow models and option pricing models, comparisons with similar instruments for which observable market prices are available, and other relevant valuation methodologies. The valuation techniques applied incorporate assumptions relating to discount rates, profit rate yield curves, estimates of future cash flows and other relevant factors.

The reconciliation of financial and non-financial assets measured at Level 3 of the fair value hierarchy is set out below:

	2025 RM'000	2024 RM'000
Group		
At beginning of the financial year	**900,537**	940,316
Total loss through profit or loss	**(46,553)**	(13,936)
Additions	**3**	-
Disposals	**-**	(2,837)
Redemption	**(44,798)**	(9,235)
Transfer from/(to) property, plant and equipment	**172,487**	(9,426)
Currency translation differences	**(7,798)**	(4,345)
At end of the financial year	**973,878**	900,537
Company		
At beginning of the financial year	**779,509**	888,810
Redemption of RCCPS	**(150,000)**	(50,000)
Transfer of fair value changes upon redemption of RCCPS	**110**	2,516
Total gain/(loss) through other comprehensive income	**66,224**	(61,817)
At end of the financial year	**695,843**	779,509

55 FAIR VALUE MEASUREMENT (CONTINUED)

(b) Financial instruments that are not measured at fair value and for which carrying amounts are not reasonable approximation of fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
Group					
2025					
Assets					
Financing of customers	**-**	**-**	**33,018,531**	**33,018,531**	**33,346,866**
Liabilities					
Hire purchase	**-**	**75,443**	**-**	**75,443**	**75,443**
Long-term loans (fixed-rate)	**-**	**249,108**	**41,667**	**290,775**	**240,792**
Long-term loans under Islamic financing (fixed-rate)	**-**	**5,052,008**	**391,960**	**5,443,968**	**5,227,796**
Bank borrowings (non-current)	**-**	**5,376,559**	**433,627**	**5,810,186**	**5,544,031**
Deposits from customers and investment accounts	**-**	**-**	**37,820,875**	**37,820,875**	**37,811,136**
	-	**5,376,559**	**38,254,502**	**43,631,061**	**43,355,167**
2024					
Assets					
Financing of customers	-	-	31,498,110	31,498,110	31,744,695

55 FAIR VALUE MEASUREMENT (CONTINUED)

(b) Financial instruments that are not measured at fair value and for which carrying amounts are not reasonable approximation of fair value: (continued)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
Group					
2024 (continued)					
Liabilities					
Hire purchase	-	68,094	-	68,094	70,498
Long-term loans (fixed-rate)	-	284,950	50,000	334,950	272,494
Long-term loans under Islamic financing (fixed-rate)		4,838,793	14,823	4,853,616	4,638,937
Bank borrowings (non-current)	-	5,191,837	64,823	5,256,660	4,981,929
Deposits from customers and investment accounts	-	-	36,153,856	36,153,856	36,138,100
	-	5,191,837	36,218,679	41,410,516	41,120,029
Company					
2025					
Liability					
Long-term loans under Islamic financing (fixed-rate)	**-**	**2,546,328**	**-**	**2,546,328**	**2,425,398**
2024					
Liability					
Long-term loans under Islamic financing (fixed-rate)	-	2,337,025	-	2,337,025	2,174,645

55 FAIR VALUE MEASUREMENT (CONTINUED)

(c) Determination of fair value

(i) Assets and liabilities that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value

The following classes of financial instruments are not carried at fair value and their carrying amounts are a reasonable approximation of their fair values.

	Note
Other assets	21
Banking-related assets - statutory deposit with Bank Negara Malaysia	23
Trade and other receivables	25
RCCPS (non-current liabilities)	33
Bank borrowings (non-current – floating-rate)	37
Banking-related liabilities - deposits and placements of banks and other financial institutions	40
Trade and other payables	42
Bank borrowings (current)	43

The carrying amounts of these financial assets and liabilities approximate their fair values due to their relating short-term nature or because they are floating-rate instruments that are repriced to market interest rates on or near the reporting date.

(ii) Amounts due from subsidiaries, loans to/from subsidiaries, finance lease obligations and fixed-rate bank loans

The fair values of these financial instruments are estimated by discounting the expected future cash flows using market lending rates applicable to similar lending, borrowing or leasing arrangements as at the reporting date.

(iii) Derivatives

Currency forward foreign exchange contracts, currency swap foreign exchange contracts and Islamic profit rate swaps are valued using valuation techniques that incorporate market-observable inputs, whereas share put options are valued using appropriate option valuation models. The valuation techniques most commonly applied include forward pricing models based on present value calculations. These models incorporate various inputs, including the credit quality of counterparties, foreign exchange spot rates and forward rate curves.

55 FAIR VALUE MEASUREMENT (CONTINUED)

(c) Determination of fair value (continued)

(iv) Banking-related assets - financing of customers

The fair values of financing provided to customers are estimated based on the expected future cash flows from contractual instalment payments, discounted at prevailing market rates offered at the reporting date for similar facilities granted to new customers with comparable credit profiles. For non-performing financing, the fair values are considered to approximate the carrying amounts, which are stated net of individually assessed allowances for impaired financing.

(v) Investment properties

The fair values of investment properties are generally determined using the investment method and the market comparison approach. The inputs used in determining the fair values of investment properties are categorised within Level 3 of the fair value hierarchy.

Under the investment method, fair value is derived by capitalising the net rental income of a property at an appropriate rate of return. Net rental income represents gross rental income after deducting service charges, property taxes and a reasonable allowance for vacancy. The significant unobservable inputs under this method include market rental rates, outgoings, vacancy rates, term yields and reversionary yields.

Under the market comparison approach, fair value is determined by reference to recent transaction prices of comparable properties, adjusted for differences in rentals, market yields, maintenance requirements, capitalisation rates and other relevant factors, including current prices in less active markets. Independent professional valuers are engaged to perform these valuations. Significant unobservable inputs under this approach include location, accessibility, size, shape, tenure, restrictions (if any) and other relevant characteristics. An increase or decrease in the adjustments applied to the unobservable inputs would result in a corresponding effect to the profit after tax of the Group and of the Company, respectively.

(vi) Investment securities: financial assets at FVOCI

The fair value of quoted equity shares in Malaysia is determined based on quoted (unadjusted) market prices in active markets for identical instruments.

The fair values of unquoted private debt securities and Malaysian Government Investment Certificates are determined based on Bond Pricing Agency Malaysia bid prices, adjusted for the accretion of discounts or the amortisation of premiums.

The fair values of unquoted equity shares in Malaysia, defaulted foreign Islamic corporate sukuk, RCCPS and RPS are generally determined using the discounted cash flow method, which approximates their fair values. The inputs used in determining these fair values are categorised within Level 3 of the fair value hierarchy.

55 FAIR VALUE MEASUREMENT (CONTINUED)

(c) Determination of fair value (continued)

(vi) Investment securities: financial assets at FVOCI (continued)

An increase or decrease in the adjustments to unobservable inputs would result in corresponding changes to the fair values, which are recognised through the other comprehensive income reserve of the Group.

(vii) Investment securities: financial assets at FVTPL

The fair value of investments in private equity funds is generally determined using the quoted share price, discounted cash flows and liquidation value approach. The Group has assessed that the reported net asset value represents the fair value as at the reporting date. The inputs used in determining the fair value are categorised within Level 3 of the fair value hierarchy. An increase or decrease in the adjustments to unobservable inputs would result in a corresponding effect to the Group's profit after tax.

(d) Material accounting policy information:

The Group applies settlement date accounting for regular purchase or sale of financial assets.

56 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The principal financial risks include credit risk, liquidity risk, interest rate risk, foreign exchange risk and market price risk. The Board of Directors reviews and establishes policies and procedures for the management of these risks, while the Risk Committee, in accordance with the Group's Enterprise Risk Management framework, provides independent oversight of the effectiveness of the risk management process.

It is, and has been throughout the current and preceding financial years, the Group's policy that derivative instruments are undertaken only for hedging purposes, where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections set out details of the Group's and of the Company's exposure to the above financial risks, together with the objectives, policies and processes for managing these risks.

(a) Credit risk

Credit risk is the risk that a counterparty will fail to meet its obligations under a financial instrument or customer contract, resulting in a financial loss to the Group. The Group is exposed to credit risk arising from its operating activities, primarily trade receivables, as well as from its financing activities, including deposits placed with licensed banks and financial institutions, foreign exchange transactions and other financial instruments.

Notes To The Financial Statements
- 31 December 2025

56 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit risk (continued)

Trade receivables and contract assets

Customer credit risk is managed by each business unit in accordance with the Group's established policies, procedures and controls relating to customer credit risk management. A customer's credit quality is assessed using a comprehensive credit rating scorecard, and individual credit limits are determined based on this assessment. Outstanding trade receivables and contract assets are monitored on an ongoing basis.

An impairment assessment is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are determined based on days past due for groupings of customer segments that exhibit similar loss patterns, such as geographical region, product type, customer type and credit rating, and coverage by letters of credit or other forms of credit insurance. The calculation incorporates probability-weighted outcomes, the time value of money, and reasonable and supportable information available at the reporting date relating to past events, current conditions and forecasts of future economic conditions. Trade receivables are generally written off when they are past due for more than one year and are not subject to enforcement activities. In certain circumstances, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full, before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The maximum exposure to credit risk at the reporting date is represented by the carrying amounts of each class of financial assets, as disclosed in Note 25. The Group does not hold collateral as security. The Group considers its exposure to concentration of credit risk to be low due to its diversified customer base.

Financing of customers

The banking subsidiary has implemented Credit Risk Mitigation Techniques to assess the adequacy and effectiveness of collateral and securities pledged for financing facilities. These techniques set out the criteria for eligibility and valuation, as well as the ongoing monitoring processes for collateral and securities pledged. Credit risk disclosures also encompass past-due and impaired financing, including the methodologies applied in determining individual and collective impairment allowances.

The assessment of whether there has been a significant increase in credit risk since initial recognition is critical in determining when to transition from measuring an allowance based on 12-month expected credit losses (ECL) to one based on lifetime ECL. This assessment requires both quantitative and qualitative analyses, which involve comparing the risk of default of a financial asset as at the reporting date with the risk of default as at the date of initial recognition.

56 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit risk (continued)

Financing of customers (continued)

Determining a significant increase in credit risk since initial recognition

The criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative factors, such as delinquency status, historical delinquency trends and changes in credit ratings, as well as qualitative factors and a delinquency-based backstop. For retail portfolio, a combination of delinquency status, historical delinquency trends and qualitative factors is applied to assess whether there has been a significant increase in credit risk. For non-retail portfolio, internally developed credit ratings are considered the most appropriate indicators of credit risk, while for financial securities, external credit ratings assigned by recognised rating agencies are used.

The banking subsidiary assigns credit ratings to each counterparty, financial security and financial instrument at initial recognition based on available information. Credit risk is considered to have increased significantly when the credit rating at the reporting date has deteriorated significantly compared to the credit rating at the date of initial recognition.

Notwithstanding changes in credit ratings, a backstop is applied whereby a financial asset is deemed to have experienced a significant increase in credit risk when it is more than 30 days past due on its contractual payments. In addition, the banking subsidiary may determine that an exposure has experienced a significant increase in credit risk based on certain qualitative factors, applying expert credit judgement and, where applicable, relevant historical experience, where such deterioration may not be fully captured by quantitative indicators.

The banking subsidiary has not applied the low credit risk exemption to any financial assets during the current financial year.

The banking subsidiary applies a three-stage approach based on the changes in the credit quality of a financial instruments since initial recognition, as described below:

3-Stage approach	Stage 1	Stage 2	Stage 3
Criterion	No significant increase in credit risk	Credit risk increased significantly	Credit-impaired assets
ECL approach	12-month ECL	Lifetime ECL	Lifetime ECL

Valuation of collateral held as security for financing of customers

The amount and type of collateral required are determined based on the assessment of the counterparty's credit risk. Guidelines are established to govern the acceptability of collateral types, valuation methodologies and monitoring processes.

56 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit risk (continued)

Financing of customers (continued)

Valuation of collateral held as security for financing of customers (continued)

The principal types of collateral held are as follows:

- Home financing - mortgages over residential properties;
- Syndicated financing - charges over the properties being financed;
- Hire purchase financing - charges over the vehicles financed; and
- Other financing - charges over business assets such as premises, inventories, trade receivables or deposits.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company may encounter difficulty in meeting its financial obligations as they fall due because of a shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches between the maturities of financial assets and financial liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility using the stand-by credit facilities.

The table below summarises the maturity profile of the Group's and of the Company's liabilities as at the reporting date, based on contractual undiscounted repayment obligations.

	Current	Non-current		
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
2025				
Bills and acceptances payable	**11,375**	**-**	**-**	**11,375**
Deposits from customers and investment accounts	**37,783,314**	**357,561**	**13,828**	**38,154,703**
Deposits and placements of banks and other financial institutions	**634,525**	**333,457**	**-**	**967,982**
Recourse obligation on financing sold to Cagamas	**-**	**1,350,395**	**-**	**1,350,395**
Banking-related liabilities	**38,429,214**	**2,041,413**	**13,828**	**40,484,455**

56 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity risk (continued)

	Current	**Non-current**		
	On demand or within one year RM'000	**One to five years RM'000**	**Over five years RM'000**	**Total RM'000**
Group				
2025				
Bank borrowings	**1,868,213**	**4,485,776**	**2,994,467**	**9,348,456**
Lease liabilities	**111,257**	**220,536**	**82,106**	**413,899**
Derivative liabilities	**27,425**	**-**	**-**	**27,425**
Trade and other payables	**4,055,094**	**50,653**	**-**	**4,105,747**
Total undiscounted financial liabilities	**44,491,203**	**6,798,378**	**3,090,401**	**54,379,982**
2024				
Bills and acceptances payable	6,027	-	-	6,027
Deposits from customers and investment accounts	35,397,952	850,049	-	36,248,001
Deposits and placements of banks and other financial institutions	700,484	385,413	-	1,085,897
Recourse obligation on financing sold to Cagamas	1,050,991	640,673	-	1,691,664
Banking-related liabilities	37,155,454	1,876,135	-	39,031,589
Bank borrowings	1,411,848	5,966,622	1,629,988	9,008,458
Lease liabilities	108,158	214,940	82,668	405,766
Derivative liabilities	19,940	-	-	19,940
Trade and other payables	3,813,641	53,531	-	3,867,172
Total undiscounted financial liabilities	42,509,041	8,111,228	1,712,656	52,332,925

56 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity risk (continued)

	Current	Non-current		
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Company				
2025				
Trade and other payables	**54,494**	**-**	**-**	**54,494**
Bank borrowings	**528,972**	**2,234,648**	**1,000,620**	**3,764,240**
Total undiscounted financial liabilities	**583,466**	**2,234,648**	**1,000,620**	**3,818,734**
2024				
Trade and other payables	75,478	-	-	75,478
Bank borrowings	483,308	2,423,395	1,063,962	3,970,665
Total undiscounted financial liabilities	558,786	2,423,395	1,063,962	4,046,143

(c) Interest rate risk

Interest rate risk is the risk that the fair values or future cash flows of the Group's and of the Company's financial instruments will fluctuate as a result of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from loans and borrowings that bear floating-interest rates. The Group manages its interest rate exposure by maintaining an appropriate mix of fixed-rate and floating-rate debts.

		Profit after tax	
	Basis point	(Decrease)/ increase 2025 RM'000	(Decrease)/ increase 2024 RM'000
Group			
Bank borrowings – floating-rates	**+50**	**(10,282)**	(7,747)
	-50	**10,282**	7,747

56 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Interest rate risk (continued)

		Profit after tax	
	Basis point	(Decrease)/ increase 2025 RM'000	(Decrease)/ increase 2024 RM'000
Company			
Bank borrowings – floating-rates	**+50**	**(3,262)**	(3,795)
	-50	**3,262**	3,795

The assumed interest rate movements, expressed in basis points for the sensitivity analysis, are determined based on the prevailing observable market conditions.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Group is exposed to foreign currency risk arising from transactions denominated in currencies other than the functional currencies of its operating entities. Foreign exchange exposures from transactional currencies other than the functional currencies are managed and maintained at acceptable levels. Material foreign currency transaction exposures are hedged, primarily through the use of forward foreign exchange contracts.

A 10% weakening of the RM against the major foreign currencies would have resulted in a decrease in the Group's profit after tax by the amounts shown below. This sensitivity analysis is based on foreign exchange rate movements that the Group considers to be reasonably possible at the reporting date and assumes that all other variables, in particular interest rates, remain constant. The analysis also excludes the effects of forecasted sales and purchases.

	Profit after tax	
	(Decrease)/ increase 2025 RM'000	(Decrease)/ increase 2024 RM'000
Group		
US Dollar	**26,728**	(1,607)
Pound Sterling	**11,595**	(4,107)
Thai Baht	**(2,641)**	(1,872)
Renminbi	**(16,977)**	(20,016)
Other currencies	**3,979**	12,710
	22,684	(14,892)

56 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Foreign currency risk (continued)

Conversely, a 10% strengthening of the RM against the same foreign currencies at the reporting date would have resulted in an equal but opposite impact on the Group's profit after tax, assuming all other variables remained constant.

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate as a result of changes in market prices, other than those arising from interest rate or foreign exchange movements.

The Group is exposed to equity price risk primarily arising from its investments in quoted equity shares, which are mainly listed on Bursa Malaysia. These investments are classified as financial assets designated at FVTPL and FVOCI.

As at the reporting date, if the market prices of quoted equity shares listed on Bursa Malaysia had been 10% higher or lower, with all other variables held constant, the Group's total comprehensive income would have increased or decreased by approximately RM6,450,000 (2024: RM10,403,000), respectively, as a result of the corresponding changes in the fair values of the quoted equity shares.

57 CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and a healthy capital structure in order to support its business activities and maximise shareholders' value. The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions.

The Group monitors its capital using the gearing ratio, which is calculated as total interest-bearing debts divided by total equity. Total debts comprise total bank borrowings, including both current and non-current borrowings, as presented in the consolidated statement of financial position. The Group's policy is to maintain the gearing ratio at an acceptable level.

	Note	2025 RM'000	2024 RM'000
Group			
Short-term borrowings	43	**1,636,135**	1,068,673
Long-term borrowings	37	**6,713,155**	6,211,120
Total bank borrowings		**8,349,290**	7,279,793
Total equity		**10,824,175**	10,287,204
Gross gearing (times)		**0.77**	0.71

57 CAPITAL MANAGEMENT (CONTINUED)

	Note	2025 RM'000	2024 RM'000
Company			
Short-term borrowings	43	**466,600**	317,651
Long-term borrowings	37	**3,035,503**	2,830,227
Total bank borrowings		**3,502,103**	3,147,878
Total equity		**6,687,804**	6,525,361
Gross gearing (times)		**0.52**	0.48

58 FINANCIAL INSTRUMENTS

58.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(i) Fair value through profit or loss (FVTPL);
(ii) Amortised costs (AC); and
(iii) Fair value through other comprehensive income (FVOCI).

	Note	Carrying amount RM'000	FVTPL RM'000	AC RM'000	FVOCI RM'000
Group					
Financial assets					
2025					
Investment securities	20	**8,094,342**	**118,132**	**-**	**7,976,210**
Trade and other receivables (excluding contract assets, contract cost assets, lease receivables, prepayments, advances to suppliers and GST receivables included in other receivables)	25	**2,440,855**	**-**	**2,440,855**	**-**
Banking-related assets					
- Financing of customers	22	**33,346,866**	**-**	**33,346,866**	**-**
- Statutory deposit with Bank Negara Malaysia	23	**365,000**	**-**	**365,000**	**-**
- Cash and short-term funds	26	**3,090,359**	**-**	**3,090,359**	**-**
Short-term deposits	27	**328,218**	**-**	**328,218**	**-**
Cash and bank balances	28	**2,410,884**	**-**	**2,410,884**	**-**
Derivative assets	29	**15,175**	**15,175**	**-**	**-**

Notes To The Financial Statements
- 31 December 2025

58 FINANCIAL INSTRUMENTS (CONTINUED)

58.1 Categories of financial instruments (continued)

	Note	Carrying amount RM'000	FVTPL RM'000	AC RM'000	FVOCI RM'000
Group					
Financial assets					
2024					
Investment securities	20	7,672,523	102,152	-	7,570,371
Trade and other receivables (excluding contract assets, contract cost assets, lease receivables, prepayments, advances to suppliers and GST receivables included in other receivables)	25	2,084,924	-	2,084,924	-
Banking-related assets					
- Financing of customers	22	31,744,695	-	31,744,695	-
- Statutory deposit with Bank Negara Malaysia	23	680,000	-	680,000	-
- Cash and short-term funds	26	2,618,766	-	2,618,766	-
Short-term deposits	27	990,046	-	990,046	-
Cash and bank balances	28	1,143,880	-	1,143,880	-
Derivative assets	29	25,376	25,376	-	-
Financial liabilities					
2025					
Trade and other payables (excluding other provisions, contract liabilities and GST payables included in other payables)	42	**4,107,938**	**-**	**4,107,938**	**-**
Bank borrowings	37 & 43	**8,349,290**	**-**	**8,349,290**	**-**
RCCPS (non-current liabilities)	33	**866,989**	**-**	**866,989**	**-**
Banking-related liabilities					
- Deposits from customers and investment accounts	39	**37,811,136**	**-**	**37,811,136**	**-**
- Deposits and placements of banks and other financial institutions	40	**966,945**	**-**	**966,945**	**-**
- Recourse obligation on financing sold to Cagamas	41	**1,205,940**	**-**	**1,205,940**	**-**
- Bills and acceptances payable	44	**11,375**	**-**	**11,375**	**-**
Derivative liabilities	29	**27,425**	**27,425**	**-**	**-**

58 FINANCIAL INSTRUMENTS (CONTINUED)

58.1 Categories of financial instruments (continued)

	Note	Carrying amount RM'000	FVTPL RM'000	AC RM'000	FVOCI RM'000
Group					
Financial liabilities					
2024					
Trade and other payables (excluding other provisions, contract liabilities and GST payables included in other payables)	42	3,868,037	-	3,868,037	-
Bank borrowings	37 & 43	7,279,793	-	7,279,793	-
RCCPS (non-current liabilities)	33	816,622	-	816,622	-
Banking-related liabilities					
- Deposits from customers and investment accounts	39	36,138,100	-	36,138,100	-
- Deposits and placements of banks and other financial institutions	40	838,721	-	838,721	-
- Recourse obligation on financing sold to Cagamas	41	1,584,302	-	1,584,302	-
- Bills and acceptances payable	44	6,027	-	6,027	-
Derivative liabilities	29	19,940	19,940	-	-
Company					
Financial assets					
2025					
Subsidiaries	15				
- RCCPS		**152,751**	**-**	**-**	**152,751**
- RPS		**416,869**	**-**	**-**	**416,869**
Trade and other receivables (excluding prepayments)	25	**1,376,605**	**-**	**1,376,605**	**-**
Short-term deposits	27	**317,802**	**-**	**317,802**	**-**
Cash and bank balances	28	**154,125**	**-**	**154,125**	**-**
2024					
Subsidiaries	15				
- RCCPS		294,233	-	-	294,233
- RPS		359,053	-	-	359,053
Trade and other receivables (excluding prepayments)	25	1,011,605	-	1,011,605	-
Short-term deposits	27	417,510	-	417,510	-
Cash and bank balances	28	122,622	-	122,622	-

58 FINANCIAL INSTRUMENTS (CONTINUED)

58.1 Categories of financial instruments (continued)

	Note	Carrying amount RM'000	FVTPL RM'000	AC RM'000	FVOCI RM'000
Company					
Financial liabilities					
2025					
Trade and other payables	42	**54,255**	**-**	**54,255**	**-**
Bank borrowings	37 & 43	**3,502,103**	**-**	**3,502,103**	**-**
2024					
Trade and other payables	42	74,145	-	74,145	-
Bank borrowings	37 & 43	3,147,878	-	3,147,878	-

58.2 Net gains and (losses) arising from financial instruments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial assets at:				
- FVTPL	**(69,453)**	(11,008)	**-**	-
- AC	**(10,803)**	(154,741)	**(46,025)**	(169,629)
- FVOCI	**86,692**	25,872	**72,257**	22,989
Financial liabilities at:				
- FVTPL	**(4,234)**	2,280	**-**	-
- AC	**(477,046)**	(527,091)	**(181,767)**	(182,477)
- FVOCI	**(33)**	-	**-**	-
Net losses	**(474,877)**	(664,688)	**(155,535)**	(329,117)

59 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 26 March 2026.

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Tan Sri Wan Zulkiflee bin Wan Ariffin and Tan Sri Syed Faisal Albar bin Syed A.R Albar, being two of the Directors of DRB-HICOM Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 285 to 472 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and the cash flows of the Group and of the Company for the financial year ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the provisions of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 26 March 2026.

TAN SRI WAN ZULKIFLEE BIN WAN ARIFFIN
Chairman

TAN SRI SYED FAISAL ALBAR BIN SYED A.R ALBAR
Group Managing Director

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Aminah binti Othman, the officer primarily responsible for the financial management of DRB-HICOM Berhad, do solemnly and sincerely declare that the financial statements set out on pages 285 to 472 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

AMINAH BINTI OTHMAN
(MIA Membership No. 26147)

Subscribed and solemnly declared by the abovenamed Aminah binti Othman at Shah Alam in the State of Selangor Darul Ehsan on 26 March 2026.

PESURUHJAYA SUMPAH
B 799
NUR SYUHADA BINTI BAHARUM
1.1.2025 - 31.12.2027
MALAYSIA

Before me,
Commissioner for Oaths

B1-10A-L2, Space U8,
Persiaran Pasak Bumi,Taman Bukit Jelutong,
Seksyen U8, 40150 Shah Alam, Selangor.

INDEPENDENT AUDITORS' REPORT

To The Members of DRB-HICOM Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DRB-HICOM Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 285 to 472.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><td colspan="2">1. Impairment of property, plant and equipment and right-of-use assets of certain postal cash generating units (“CGUs”).</td></tr>
<tr><td colspan="2">Refer to Note 13 – Property, plant and equipment, Note 53 – Critical accounting estimates and judgements</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>The Group has significant balances of property, plant and equipment (including right-of-use assets) as of 31 December 2025 amounting to RM5,240,236,000.

The Group performed impairment assessment for Group entities that reported operating losses by comparing the carrying amount of the CGUs against the respective recoverable amount to determine the amount of impairment loss which should be recognised, if any.

We identified the impairment of property, plant and equipment and right-of-use assets of certain postal CGUs as a key audit matter due to the following factors:
- significance of the assets to the Group's statements of financial position;
- the Group has applied significant judgement in estimating the fair values of properties, vessels and motor vehicles taking into consideration valuation reports prepared by independent professional valuers as well as available comparative market value, where applicable; and
- key assumptions included in the impairment assessments are disclosed in Note 13.</td><td>Our audit procedures included the following, among others:

• We evaluated the Group's assessment of indicators of impairment for property, plant and equipment and right-of-use assets based on our knowledge of the business, its operating environment and other information obtained during the audit.
• We evaluated the competency, independence and qualification of the professional valuers used in determining fair value of properties and vessels.
• We challenged the impairment model and assessed the significant assumptions used by the Group such as market price of property in vicinity compared and market value of comparable motor vehicles (considering the model, year of manufacturing and specification) to derive the fair value less cost of disposal.
• We evaluated the completeness and accuracy of disclosures required by the relevant accounting standards.</td></tr>
</table>

Independent Auditors' Report
To The Members of DRB-HICOM Berhad (Continued)

Key audit matters *(continued)*

2. Impairment of Banking related assets – financing of customers	
Refer to Note 22 – Banking related assets – Financing of customers and Note 53 – Critical accounting estimates and judgements.	
The key audit matter	**How the matter was addressed in our audit**
The Group has banking related assets – financing of customers of RM33,346,866,000 as at 31 December 2025. We identified the potential impairment of banking related assets – financing of customers as a key audit matter due to the following factors: - significance of the assets to the Group's statement of financial position; and - the measurement of ECL requires the application of significant judgement and estimate by the Group. The ECL models developed by the Group internally are inherently complex and significant assumptions were used in the ECL model such as the expected future cash flows and forward-looking macroeconomic factors.	Our audit procedures included the following, among others: • We assessed the design of processes and operating effectiveness of internal controls over initiation, approval, recording and monitoring of banking related assets – financing of customers. • We evaluated the impairment criteria and assessed the methodologies, data and assumptions used by the Group in computing the expected credit losses ("ECL"). • Involved KPMG Financial Risk Management ("FRM") Specialists to review model documentation and validate material ECL model for appropriateness and consistency of methodology and compliance with MFRS 9, *Financial Instruments.* • For ECL calculated collectively using models, we assessed the reasonableness of the models taking into consideration the model input, model design and performance. We also assessed the reasonableness of forward-looking macroeconomic factors used in the computation. • For ECL calculated individually, we assessed the internal control over the assignment of credit grading and ECL computation. We evaluated the key assumptions and reasonableness of expected future cash flows used in the ECL computation. We also considered the appropriateness of the probability weighted outcome and forward-looking macroeconomic factors applied in Group's assessment. • We evaluated adequacy of ECL recorded and assessed the disclosures in the financial statements appropriately reflected the Group's exposure to credit risk.

Key audit matters ***(continued)***

<table>
<tr><td colspan="2">3. Impairment of cost of investment in subsidiaries and amount due from subsidiaries (Company level)</td></tr>
<tr><td colspan="2">Refer to Note 15 – Subsidiaries, Note 25 – Trade and other receivables and Note 53 – Critical accounting estimates and judgements.</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>As disclosed in Note 15 and Note 25 to the financial statements, the Company's investment in subsidiaries and amounts due from subsidiaries are significant.

The Company has investment in subsidiaries amounting to RM8,120,517,000 and amount due from subsidiaries amounting to RM1,343,931,000 as at 31 December 2025.

We identified the potential impairment or reversal of impairment of certain investments in subsidiaries as a key audit matter due to the following factors:
- significance of the assets to the Company's statement of financial position;
- impairment model based on discounted future cash flows prepared by the Company are complex and contained assumptions, particularly in respect of revenue growth, profit margin, terminal growth rate, and discount rates that are inherently uncertain and subjective as they based on expectations of future; and
- key assumptions included in the impairment assessments are highly sensitive as disclosed in Note 15 and Note 25.</td><td>Our audit procedures included the following, among others:

• We challenged the Company's assessment in identifying investments that were having impairment indicators or vice versa by evaluating whether internal and external indicators had been considered.
• We evaluated the impairment model by comparing it with the requirements of the relevant accounting standards.
• Assessed those significant and highly sensitive assumptions by comparing them with internal and external sources of information.
• We evaluated the estimation uncertainty and performed a sensitivity analysis on key assumptions.
• We tested the mathematical accuracy of the Company's calculation of impairment losses and reversal of impairment losses.
• We evaluated the adequacy of the disclosures of the assumptions applied, which are particularly sensitive, uncertain or require significant judgement, in the assessment of impairment of investments in subsidiaries and amount due from subsidiaries.</td></tr>
</table>

Independent Auditors' Report

To The Members of DRB-HICOM Berhad (Continued)

Key audit matters *(continued)*

4. Impairment of property, plant and equipment and intangible assets relating to certain vehicle models from an automotive subsidiary	
Refer to Note 13 – Property, plant and equipment, Note 18 – Intangible assets and Note 53 – Critical accounting estimates and judgements.	
The key audit matter	**How the matter was addressed in our audit**
As disclosed in Note 13 and Note 18 to the financial statements, the Group has significant balances of property, plant and equipment (including right-of-use assets) amounting to RM5,240,236,000 and intangible assets RM1,222,798,000 as of 31 December 2025. The Group performed impairment assessment on property, plant and equipment and intangible assets related to certain vehicle models from an automotive subsidiary that have declining sales due to weaker market demand by comparing their carrying amounts against the respective recoverable amounts to determine the amount of impairment loss which should be recognised, if any. We identified the impairment of property, plant and equipment and intangible assets relating to certain vehicle models from an automotive subsidiary as a key audit matter due to the following factors: - significance of the property, plant and equipment and intangible assets relating to certain vehicle models from an automotive subsidiary to the Group's statements of financial position; - the Group has applied significant judgement in estimating the recoverable amounts of the property, plant and equipment and intangible assets relating to certain vehicle models from an automotive subsidiary; and - key assumptions included in the impairment assessments are disclosed in Note 13.	Our audit procedures included the following, among others: • We obtained understanding of the Group's control and processes for impairment assessment of property, plant and equipment and intangible assets. • We evaluated the Group's assessment for indications of impairment by considering whether it had factored or considered relevant internal and external information. • We challenged the impairment model and assessed the key assumptions used by the Group such as revenue, gross profit margin and discount rate by comparing them with internal and external sources of information. • We evaluated the estimation uncertainty and performed a sensitivity analysis on key assumptions. • We evaluated the completeness and accuracy of disclosures required by the relevant accounting standards.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report
To The Members of DRB-HICOM Berhad (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 3 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Chan Chee Keong
Approval Number: 03175/04/2027 J
Chartered Accountant

Petaling Jaya

26 March 2026

SUPPLEMENTARY INFORMATION

8

> "Transparency builds trust, and trust drives performance."
>
> — Douglas Conant
> Former CEO of Campbell Soup Company

ADDITIONAL COMPLIANCE INFORMATION

(Pursuant to the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"))

1. UTILISATION OF PROCEEDS

Save as disclosed below, there were no new corporate funding proposals undertaken by the Group and the Company during the financial year ended 31 December 2025.

i. On 14 July 2025, the Company issued Sukuk Wakalah with a nominal value of RM500 million under its Sukuk Wakalah Programme, which was lodged with the Securities Commission Malaysia on 25 October 2019. The net proceeds from the issuance were utilised to finance capital expenditure, working capital requirements, investment activities and other general corporate purposes. Separately, on 29 August 2025, the Company repaid RM150 million in nominal value from an earlier tranche of the Sukuk Wakalah.

ii. Subsequent to the financial year end, on 26 February 2026, Pos Malaysia Berhad, a direct 53.5% owned subsidiary of the Group, announced the establishment of a subordinated perpetual Islamic notes programme with a nominal value of up to RM1.0 billion under the Shariah principle of *Wakalah Bi Al Istithmar*. The programme is intended to finance capital expenditure, investment activities, working capital requirements and other general corporate purposes. The issuance of the first tranche amounting to RM300 million was successfully completed on 17 March 2026.

2. AUDIT AND NON-AUDIT FEES

The particulars in relation to the audit and non-audit services rendered by KPMG PLT with local affiliates and member firms of the auditors to the Group and the Company for the financial year ended 31 December 2025 are as follows:

Type of Services	Group RM'000	Company RM'000
Statutory audit	5,052	462
Audit-related services	1,778	433
Non-audit services	1,811	36
Total	**8,641**	**931**

3. EMPLOYEES SHARE OPTION SCHEME

No Employees Share Option Schemes were granted by the Company during the financial year ended 31 December 2025.

4. MATERIAL CONTRACTS INVOLVING DIRECTORS'/CHIEF EXECUTIVES'/MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts including contracts relating to any loans entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests.

5. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

At the 35th AGM of the Company held on 28 May 2025, the Company had obtained a Shareholders' Mandate to allow the Group to enter into recurrent related party transactions of a revenue or trading nature ("RRPT"). In accordance with Paragraph 10.09(2)(b) of the MMLR, details of the RRPT conducted during the financial year ended 31 December 2025 pursuant to the Shareholders' Mandate are as follows: -

No.	DRB-HICOM and/or its subsidiary companies	Transacting related party	Nature of relationship	Nature of transaction	Value of transaction from 1 January 2025 to 31 December 2025 (RM'000)
1	HICOM-Teck See Manufacturing Malaysia Sdn. Bhd. ("HTS")	Teck See Plastic Sdn. Bhd. ("Teck See Plastic")	A 49% shareholder of HTS	Supply of automotive plastic components by Teck See Plastic to HTS	58
		Compounding & Colouring Sdn. Bhd. ("Compounding & Colouring")	A related corporation of Teck See Plastic, a 49% shareholder of HTS	Supply of raw materials by Compounding & Colouring to HTS	2,372
2	Perusahaan Otomobil Nasional Sdn. Bhd. ("PONSB")	Zhejiang Geely Holding Group Co., Ltd ("Geely") Group	A 49.9% indirect shareholder of PROTON Holdings Berhad ("PROTON")	Provision of technical support, payment of royalties and supply of components for motor vehicles by Geely Group to PONSB	1,734,847
3	Bank Muamalat Malaysia Berhad ("Bank Muamalat")	Islamic Arts Museum Shop Sdn. Bhd. ("Islamic Arts")	A company owned by persons connected to Tan Sri Dato' Seri Syed Mokhtar Shah Syed Nor ("TSSM")	Purchase of all kinds of gifts and souvenirs by Bank Muamalat from Islamic Arts	90
	Edaran Otomobil Nasional Berhad ("EON") Group	Tradewinds Plantation Berhad ("Tradewinds Plantation") Group	A company in which TSSM is an indirect major shareholder	Supply of motor vehicles, accessories, spare parts and maintenance services as well as leasing of motor vehicles by EON Group to Tradewinds Plantation Group	7,648
	DRB-HICOM Group	Aurora Mulia Sdn. Bhd. ("Aurora Mulia") Group	A company 100% owned by TSSM	Provision of media-related businesses in newspapers, television and out-of-home advertising by Aurora Mulia Group to DRB-HICOM Group	2,869
		Gas Malaysia Berhad ("Gas Malaysia") Group	A 30.93% indirect associated company of MMC	Provision of supply of Natural Gas from Gas Malaysia Group to DRB-HICOM Group	19,625
		Alam Flora Sdn. Bhd. ("Alam Flora") Group	An indirect 97.37% owned company of Malakoff Corporation Berhad ("Malakoff")	Provision of integrated solid waste management services, recycling, integrated facility management services and related services from Alam Flora Group to DRB-HICOM Group	23,150
				Provision of rental of office spaces and service charges by DRB-HICOM Group to Alam Flora Group	2,752
		MMC Corporation Berhad ("MMC") Group	A company in which TSSM is an indirect major shareholder	Supply and leasing of machineries, motor vehicles including accessories, spare parts as well as maintenance services and bins by DRB-HICOM Group to MMC Group[1]	74,785
		Malakoff Group	A 38.45% associated company of MMC	Proposed development of rooftop solar photovoltaic project by Malakoff Group to DRB-HICOM Group	1,870

No.	DRB-HICOM and/or its subsidiary companies	Transacting related party	Nature of relationship	Nature of transaction	Value of transaction from 1 January 2025 to 31 December 2025 (RM'000)
	DRB-HICOM Group (continued)	Tradewinds International Insurance Brokers Sdn. Bhd. ("Tradewinds International Insurance Brokers")	100% owned subsidiary company of Tradewinds Corporation Berhad	Provision of insurance broker for direct insurance and reinsurance business by Tradewinds International Insurance Brokers to DRB-HICOM Group	2,195
		Souq Realty Sdn. Bhd. ("Souq")	A company in which TSSM is an indirect major shareholder	Provision of rental of Souq Commercial Centre including service charges by Souq to DRB-HICOM Group	855
		Prisma Dimensi Sdn. Bhd. ("Prisma Dimensi") Group	A company in which TSSM is an indirect major shareholder	Provision of rental of buildings and land by Prisma Dimensi Group to DRB-HICOM Group	3,612
				Provision of rental of land for parking and stockyard by Prisma Dimensi Group to DRB-HICOM Group	429
	EON Group	Prisma Dimensi Group	A company in which TSSM is an indirect major shareholder	Supply and leasing of machineries and motor vehicles including accessories, spare parts as well as maintenance services by EON Group to Prisma Dimensi Group	999
	Bank Muamalat	KHSB Marketing Sdn. Bhd. ("KHSB Marketing")	A company in which TSSM is an indirect major shareholder	Provision of rental of building space by KHSB Marketing to Bank Muamalat Group	512
	EON Group	Altel Group Sdn. Bhd. ("Altel Group")	A company in which TSSM is an indirect major shareholder	Development of Customer Relationship Management system and integration services by Altel Group to EON Group	966

Note:-

[1] *Based on the Circular to Shareholders dated 29 April 2025, the shareholders' mandate on "Supply of motor vehicles, accessories, spare parts and maintenance services by EON Group to MMC Group" has been consolidated under the transaction on "Supply and leasing of machineries, motor vehicles including accessories, spare parts as well as maintenance services and bins by DRB-HICOM Group to MMC Group".*

Notwithstanding the related party disclosures already presented in the audited financial statements in accordance with Malaysian Financial Reporting Standard 124 (MFRS 124), the above disclosures are made in order to comply with Paragraph 10.09 of the MMLR with regard to the value of RRPT conducted in accordance with the Shareholders' Mandate during the financial year, as the scope of related party relationships and disclosures contemplated by the MMLR are, to a certain extent, different from those of MFRS 124.

The shareholdings of the respective interested major shareholders as shown above are based on information disclosed in the Circular to Shareholders dated 29 April 2025 in relation to the Proposed renewal of existing shareholders' mandate for Recurrent Related Party Transactions of a revenue or trading nature and Proposed new shareholders' mandate for additional Recurrent Related Party Transactions of a revenue or trading nature.

6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

		Group	
Total Income	**Remarks**	**2025 (RM)**	**2024 (RM)**
Revenue		17,309,528,000	16,190,764,000
Other income		690,078,000	338,444,000
Interest/Finance income		70,074,000	61,414,000
Share of profit of associates		141,982,000	159,022,000
Share of profit of ventures		115,745,000	97,777,000
Total		**18,327,407,000**	**16,847,421,000**
Total Assets		**65,769,329,000**	**62,263,898,000**

(b) Business Activities

		Group	
Shariah Non-Compliant Activities	**Remarks**	**2025 (RM)**	**2024 (RM)**
Dividend income received from conventional instruments		3,907,000	3,397,000
Banking & finance and related services	Share of profit of ventures	5,387,000	(6,248,000)
Interest income		51,371,000	40,219,000
Insurance services	Income derived from conventional insurance arrangements (non-takaful)	58,461,000	57,308,000
Total		**119,126,000**	**94,676,000**

(c) Component of Financial Position

(i) Cash Component

		Group	
Islamic Account/Instruments	**Remarks**	**2025 (RM)**	**2024 (RM)**
Cash and bank balances (exclude cash in hand)		160,469,000	154,802,000
Short-term deposits		286,825,000	376,842,000
Cash held under Housing Development Accounts		10,909,000	6,729,000
Money market instruments		29,385,000	5,698,000
Total Cash		**487,588,000**	**544,071,000**

Conventional Account/Instruments	Remarks	Group 2025 (RM)	Group 2024 (RM)
Cash and bank balances (exclude cash in hand)		2,183,449,000	896,566,000
Other cash equivalents (please specify in the remarks column)	Cash in hand	24,486,000	35,675,000
Short-term deposits		41,393,000	613,204,000
Cash held under Housing Development Accounts		31,571,000	50,108,000
Total Cash		**2,280,899,000**	**1,595,553,000**

(ii) Debt Component

Islamic Financing	Remarks	Group 2025 (RM)	Group 2024 (RM)
Current			
Banker's acceptances		241,623,000	285,636,000
Revolving credit and loans		62,772,000	76,676,000
Term loans		903,571,000	511,672,000
Non-Current			
Term loans		6,166,779,000	5,814,983,000
Total Financing		**7,374,745,000**	**6,688,967,000**

Conventional Borrowing	Remarks	Group 2025 (RM)	Group 2024 (RM)
Current			
Banker's acceptances		208,279,000	45,549,000
Revolving credit and loans		45,275,000	61,755,000
Term loans		143,121,000	61,653,000
Hire purchase payables		30,583,000	24,802,000
Bank overdrafts		911,000	930,000
Non-Current			
Term loans		470,933,000	325,639,000
Hire purchase payables		75,443,000	70,498,000
Total Debt		**974,545,000**	**590,826,000**

ANALYSIS OF SHAREHOLDINGS

As at 26 March 2026

Class of Securities	:	Ordinary share
Total Number of Issued Shares	:	1,933,237,051 ordinary shares
Voting Rights	:	One (1) vote per ordinary share in the case of a poll
Number of Shareholders	:	36,914

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders	% of Shareholders	Number of Shares Held	% of Shares Held
1 - 99	1,000	2.71	13,753	0.00*
100 - 1,000	15,803	42.81	10,993,495	0.57
1,001 - 10,000	15,391	41.70	61,442,725	3.18
10,001 - 100,000	4,077	11.04	128,194,465	6.63
100,001 - 96,661,852 (Less than 5% of issued shares)	642	1.74	651,530,872	33.70
96,661,853 and above (5% and above of issued shares)	1	0.00*	1,081,061,741	55.92
Total	**36,914**	**100.00**	**1,933,237,051**	**100.00**

Note:-
* *Less than 0.01%*

CATEGORY OF SHAREHOLDERS

Category of Shareholders	Number of Shareholders	% of Shareholders	Number of Shares Held	% of Shares Held
Individuals	31,206	84.54	256,331,550	13.26
Banks/Finance Companies	14	0.04	75,105,872	3.88
Investment Trusts/Foundations/Charities	93	0.25	1,692,200	0.09
Industrial and Commercial Companies	493	1.34	1,120,895,223	57.98
Government Agencies/Institutions	4	0.01	752,400	0.04
Nominees	5,103	13.82	478,459,805	24.75
Others	1	0.00*	1	0.00*
Total	**36,914**	**100.00**	**1,933,237,051**	**100.00**

Note:-
* *Less than 0.01%*

TOP THIRTY SECURITIES ACCOUNT HOLDERS
(Based on the Record of Depositors without aggregating the securities from different securities accounts belonging to the same Depositor)

No.	Name	Number of Shares Held	% of Shares Held
1	Etika Strategi Sdn Bhd	1,081,061,741	55.92
2	Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board (Islamic)	86,547,911	4.48
3	Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board	86,265,043	4.46
4	Lembaga Tabung Haji	70,982,100	3.67
5	HSBC Nominees (Asing) Sdn Bhd - JPMCB NA For Vanguard Total International Stock Index Fund	11,974,631	0.62
6	Public Nominees (Tempatan) Sdn Bhd - Pledged Securities Account For Lim Hock Fatt (E-SS2)	11,700,000	0.61
7	HSBC Nominees (Asing) Sdn Bhd - JPMCB NA For Vanguard Emerging Markets Stock Index Fund	11,114,900	0.58
8	Tai Tak Estates Sdn Bhd	10,952,653	0.57
9	Citigroup Nominees (Asing) Sdn Bhd - Exempt An For Citibank New York (Norges Bank 14)	10,932,500	0.57
10	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad For Eastspring Investmentssmall-Cap Fund	10,864,800	0.56
11	Citigroup Nominees (Tempatan) Sdn Bhd - Kumpulan Wang Persaraan (Diperbadankan) (Principal EQITS)	8,300,000	0.43
12	Teh Poo Seng	8,112,000	0.42
13	Maybank Nominees (Tempatan) Sdn Bhd - Cheng Mooi Soong	7,765,000	0.40
14	Maybank Nominees (Tempatan) Sdn Bhd - Etiqa Family Takaful Berhad (Family)	7,194,900	0.37
15	Citaria Sdn Bhd	6,924,572	0.36
16	Jasmurni Construction Sdn Bhd	6,700,000	0.35
17	Maybank Nominees (Tempatan) Sdn Bhd - Etiqa Life Insurance Berhad (Growth)	6,266,800	0.32
18	HSBC Nominees (Asing) Sdn Bhd - JPMCB NA For Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	6,116,086	0.32
19	Maybank Nominees (Tempatan) Sdn Bhd - Cheng Ken Shin	5,969,700	0.31
20	Maybank Nominees (Tempatan) Sdn Bhd - Lee Ai Chu	5,265,000	0.27
21	Citigroup Nominees (Tempatan) Sdn Bhd - Great Eastern Life Assurance (Malaysia) Berhad (Non Par 16)	5,200,000	0.27

No.	Name	Number of Shares Held	% of Shares Held
22	Maybank Nominees (Tempatan) Sdn Bhd - Etiqa Life Insurance Berhad (Dana EKT Prima)	4,269,400	0.22
23	Cimsec Nominees (Tempatan) Sdn Bhd - CIMB For Lee Keng Hong (PB)	4,000,000	0.21
24	RHB Capital Nominees (Tempatan) Sdn Bhd - Pledged Securities Account For Teh Poo Seng (CEB)	4,000,000	0.21
25	Nur Aliyah Binti Abdullah	3,787,300	0.20
26	Citigroup Nominees (Asing) Sdn Bhd - CBNY For Emerging Markets Core Equity 2 Portfolio Of DFA Investment Dimensions Group Inc.	3,633,300	0.19
27	Maybank Nominees (Tempatan) Sdn Bhd - Etiqa Family Takaful Berhad (Family PIF)	3,562,400	0.18
28	Maybank Nominees (Tempatan) Sdn Bhd - Etiqa Life Insurance Berhad (Life Par)	3,498,900	0.18
29	Citigroup Nominees (Asing) Sdn Bhd - CBNY For Dimensional Emerging Markets Value Fund	3,437,758	0.18
30	Cartaban Nominees (Asing) Sdn Bhd - The Bank Of New York Mellon For Acadian Emerging Markets Small Cap Equity Fund, LLC	3,386,700	0.18

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS
(Based on the Register of Substantial Shareholders)

	Direct Interest		Indirect Interest		
Name	**Number of Shares Held**	**% of Shares Held**	**Number of Shares Held**	**% of Shares Held**	**Total % of Shares Held**
Etika Strategi Sdn. Bhd.	1,081,061,741	55.92	-	-	55.92
Employees Provident Fund Board	173,937,954	9.00	-	-	9.00
Tan Sri Dato' Seri Syed Mokhtar Shah bin Syed Nor [N1]	-	-	1,081,061,741	55.92	55.92

Note:-
[N1] *Deemed interest by virtue of his interest in Etika Strategi Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.*

DIRECTORS' SHAREHOLDINGS IN THE COMPANY AND ITS RELATED CORPORATIONS
(Based on the Register of Directors' Shareholdings)

None of the Directors of the Company has any interest in shares in the Company or its related corporations.

SENIOR MANAGEMENT'S SHAREHOLDINGS
(Based on the Record of Depositors)

None of the Senior Management of the Company has any interest in shares in the Company or its related corporations.

STATEMENT OF ASSURANCE ON SUSTAINABILITY PERFORMANCE DATA DISCLOSURES OF DRB-HICOM BERHAD

The Group Internal Audit & Integrity Division ("GIAID") of DRB-HICOM Berhad ("DRB-HICOM") has conducted an internal review on non-financial sustainability metrics disclosed in this Integrated Annual Report. The objective of this internal review is to provide internal assurance, based on review carried out in reference to the Institute of Internal Auditors' Global Internal Audit Standards ("GIAS"), on accuracy, completeness, and reliability of the sustainability performance metrics disclosed.

This Statement of Assurance issued by the GIAID of DRB-HICOM has been reviewed and endorsed by the Board Risk & Sustainability Committee ("BRSC") and subsequently approved by the Board. The issuance of this Statement of Assurance, is in compliance with Paragraph 6.2(e) of Practice Note 9 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), which requires a listed issuer to disclose whether the Sustainability Statement has been subjected to internal review or independent assurance, including the subject matters and scope covered.

Scope and Coverage

The boundary of the internal review covers all of DRB-HICOM's subsidiaries within the Mobility Segment operating in Malaysia and applies to the reporting period covered in this Integrated Annual Report.

The review encompassed the following sustainability matters and associated performance metrics:

Sustainability Matter	Sustainability Metric Reviewed
1. Cross-Industry Climate Metrics	• Total direct greenhouse gas ("GHG") emissions (Scope 1) • Total indirect GHG emissions (Scope 2), location based
2. Energy Management	• Total energy consumed • Percentage of grid electricity • Percentage of renewable energy
3. xEV Adoption	• Sales-weighted average passenger fleet fuel economy, by region • Total number of zero emission vehicles ("ZEV") sold • Total number of mild-hybrid vehicles ("HEV") sold

GIAID's conclusion has been formed on the basis of, and is subject to, the matters outlined in this assurance statement. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

PERFORMANCE DATA TABLE

No.	Indicator	Measurement Unit	Financial Year 2023	2024	2025
ISSB Sustainability Statement[1]					
1	Sales-weighted average passenger fleet fuel economy, by region[2 3]				
	i. Domestic	Kilometres per litre	–	–	**16.97**
	ii. Export	Kilometres per litre	–	–	**16.96**
2	Total energy consumed[2]	Gigajoules	–	–	**1,371,506**
3	Percentage of grid electricity[2]	Percentage	–	–	**88%**
4	Percentage of renewable energy[2]	Percentage	–	–	**12%**
5	Total GHG Emissions[2]	Tonnes CO_2e	–	–	**219,264**
	Total direct GHG emissions (Scope 1)[2]	Tonnes CO_2e	–	–	**27,561**
	Total indirect GHG emissions (Scope 2)[2] locations-based	Tonnes CO_2e	–	–	**191,703**
	Emissions from joint venture and associates (Operational Control)[2]	Tonnes CO_2e	–	–	**0**
6	Total number of xEV sold[2]	Number	–	–	**13,448**
	Zero emissions vehicles (zEV)[2]	Number	–	–	**10,727**
	Mild-hybrid vehicles (HEV)[2]	Number	–	–	**2,721**
Sustainability Report					
Products and Services Innovation					
1	Percentage of vehicle models rated by NCAP with an overall 5-star safety rating, by region	Percentage	75%	86%	**89%**
Climate Change					
1	Carbon Intensity	Tonnes CO_2e/ RM million	20.84	19.67	**17.58**
2	Total GHG emissions (Scope 1, 2 & 3)	Tonnes CO_2e	407,215	407,607	**426,605**
3	Total direct GHG emissions (Scope 1)	Tonnes CO_2e	71,745	68,253	**71,234**
4	Total indirect GHG emissions (Scope 2)	Tonnes CO_2e	258,651[3]	250,191[3]	**233,001**
5	Total other indirect GHG emissions (Scope 3)	Tonnes CO_2e	76,819	89,163	**122,370**
	Category 3: Fuel and energy related activities[4]	Tonnes CO_2e	–	–	**36,842**
	Category 6: Business Travel	Tonnes CO_2e	8	5,441	**3,369**
	Category 7: Employee Commuting	Tonnes CO_2e	76,811	83,722[5]	**82,159**
Energy Management					
1	Total energy consumption	Gigajoules	2,591,998	2,514,455	**2,228,187**
2	Total Non-RE Consumption	Gigajoules	2,481,367	2,401,478	**2,100,569**
	Liquefied Petroleum Gas	Gigajoules	12,089	24,180	**25,046**
	Natural Gas	Gigajoules	316,280	424,909	**335,688**
	Residual Fuel Oil	Gigajoules	365,541	338,441	**188,770**
	Diesel	Gigajoules	480,942	347,341	**335,613**
	Petrol	Gigajoules	95,014	92,557	**79,244**
	Purchased Electricity	Gigajoules	1,211,502	1,174,030	**1,136,207**
3	Total RE Consumption	Gigajoules	110,631	116,340	**127,618**
	Solar PV	Gigajoules	110,631	112,978	**127,531**
	Green Electricity Tariff	Gigajoules	–	3,362	**86**

No.	Indicator	Measurement Unit	Financial Year 2023	2024	2025
Water Management					
1	Total water withdrawal	Megalitres	3,309	3,141	**3,197**
	i. Surface water[6]	Megalitres	0	0	**8**
	ii. Groundwater	Megalitres	0	0	**0**
	iii. Seawater	Megalitres	0	0	**0**
	iv. Produced water	Megalitres	0	0	**0**
	v. Third party water (i.e. local municipal supply)	Megalitres	3,309	3,141	**3,189**
2	Total water discharged	Megalitres	383	542	**636**
	i. Surface Water	Megalitres	383	542	**636**
	ii. Groundwater	Megalitres	0	0	**0**
	iii. Seawater	Megalitres	0	0	**0**
	iv. Third-party water	Megalitres	0	0	**0**
3	Total water consumption	Megalitres	2,926	2,599	**2,561**
4	Total water-related non-compliance cases	Number	0	0	**0**
5	Total penalty or fines incurred related to water-related non-compliance cases	RM	0	0	**0**
Waste Management					
1	Total recyclable waste collected	Metric Tonnes	22.61	433.21	**316.06**
	i. Paper (including newspaper, magazines, tetrapak, cartons, etc.)	Metric Tonnes	19.13	215.04	**215.55**
	ii. Cooking oil	Metric Tonnes	1.06	2.52	**3.30**
	iii. Aluminum and other metals	Metric Tonnes	0.98	11.23	**2.65**
	iv. Plastics	Metric Tonnes	1.13	83.28	**29.23**
	v. E-waste	Metric Tonnes	0	4.32	**27.42**
	vi. Others	Metric Tonnes	0.31	116.82	**37.91**
2	Total waste-related non-compliance cases	Number	0	0	**1**
3	Total penalty or fines incurred related to waste-related non-compliance cases	RM	0	0	**2,000**
4	Total waste generated	Metric Tonnes	5,102	4,023	**3,760**
5	Total waste diverted from disposal	Metric Tonnes	5,050	3,981	**3,662**
6	Total waste directed to disposal	Metric Tonnes	52	42	**98**
Diversity and Inclusivity					
1	Total Workforce	Number	39,610	38,451	**37,616**
2	Percentage of employees that are contractors or temporary staff	Percentage	7	7	**7**
3	Workforce by employee category				
	i. Managerial	Percentage	8	9	**9**
	ii. Executive	Percentage	14	14	**14**
	iii. Non-executive	Percentage	78	77	**77**
4	Workforce by Gender				
	i. Male	Percentage	78	78	**78**
	ii. Female	Percentage	22	22	**22**
5	Workforce by Age Group				
	i. Below 30	Percentage	29	27	**26**
	ii. 31-40	Percentage	36	35	**35**
	iii. 41-50	Percentage	23	26	**26**
	iv. Above 50	Percentage	12	12	**13**
6	Percentage of employees by gender and age group, for each employee category				
	Age Group by Employee Category				
	i. Management Below 30	Percentage	2[7]	2	**4**
	ii. Management 31-40	Percentage	18[7]	29	**30**

No.	Indicator	Measurement Unit	Financial Year 2023	2024	2025
	iii. Management 41-50	Percentage	45[7]	42	**45**
	iv. Management Above 50	Percentage	35[7]	27	**21**
	v. Executive Below 30	Percentage	48[7]	29	**28**
	vi. Executive 31-40	Percentage	35[7]	40	**38**
	vii. Executive 41-50	Percentage	12[7]	22	**21**
	viii. Executive Above 50	Percentage	5[7]	9	**13**
	ix. Non-executive Below 30	Percentage	3[7]	29	**28**
	x. Non-executive 31-40	Percentage	49[7]	34	**35**
	xi. Non-executive 41-50	Percentage	31[7]	25	**25**
	xii. Non-executive Above 50	Percentage	17[7]	12	**12**
	Gender Group by Employee Category				
	i. Management Male	Percentage	67	66	**65**
	ii. Management Female	Percentage	33	34	**35**
	iii. Executive Male	Percentage	57	57	**57**
	iv. Executive Female	Percentage	43	43	**43**
	v. Non-executive Male	Percentage	83	83	**83**
	vi. Non-executive Female	Percentage	17	17	**17**
	Percentage of directors by gender and age group				
	i. Male	Percentage	83	67	**60**
	ii. Female	Percentage	17	33	**40**
	iii. Below 30	Percentage	0	0	**0**
	iv. 31-40	Percentage	0	0	**0**
	v. 41-50	Percentage	0	0	**0**
	vi. 51-60	Percentage	17	17	**0**
	vii. Above 60	Percentage	83	83	**100**
7	Workforce by Ethnicity				
	i. Malay	Percentage	94	94	**94**
	ii. Chinese	Percentage	2	2	**2**
	iii. Indian	Percentage	2	2	**2**
	iv. Others	Percentage	2	2	**2**
8	Workforce by Region				
	i. Northern	Number	8,357	8,783	**10,236**
	ii. Central	Number	22,616	21,580	**19,470**
	iii. Southern	Number	1,908	1,720	**1,766**
	iv. Eastern	Number	4,683	4,378	**4,177**
	v. Sabah & Labuan	Number	1,022	1,012	**1,021**
	vi. Sarawak	Number	1,024	978	**946**
9	New Hires	Number	4,160	3,638	**4,069**
10	New Hires by Gender				
	i. Male	Percentage	71	70	**78**
	ii. Female	Percentage	29	30	**22**
11	Women in Management	Percentage	33	34	**35**
12	Employees with Special Needs	Number	72	72	**81**
Talent Development and Employee Engagement					
1	Total Talent Pool by Gender				
	Total	Number	1,675	1,645	**1,302**
	i. Male	Percentage	63	66	**65**
	ii. Female	Percentage	37	34	**35**
2	Total number of employee turnover (All categories)	Number	4,205	3,160	**4,536**

No.	Indicator	Measurement Unit	Financial Year 2023	2024	2025
3	Percentage of employee turnover over total workforce	Percentage	11	8	**12**
4	Total number of employee turnover by employee category				
	i. Managerial	Number	335	317	**376**
	ii. Executive	Number	659	659	**927**
	iii. Non-executive	Number	3,211	2,184	**3,233**
5	Total training hours	Number	870,141	1,037,745	**952,530**
6	Total investment in training	RM	19.66 million	23.24 million	**24.70 million**
7	Number of trainings organised	Number	4,251	9,256	**6,151**
8	Average training hours per employee	Hours	21.97	29.54	**25.32**
9	Average training hours by gender				
	i. Male	Hours	19.86	24.12	**22.94**
	ii. Female	Hours	29.66	33.65	**33.61**
10	Total training hours by employee category				
	i. Managerial	Hours	114,303	153,240	**139,861**
	ii. Executive	Hours	226,328	230,238	**290,678**
	iii. Non-executive	Hours	529,509	654,268	**521,992**
11	Parental leave utilization by gender				
	Male employees that took parental leave	Number	1,611	1,027	**753**
	Female employees that took parental leave	Number	514	486	**381**
	Male employees that returned to work in the reporting period after parental leave ended	Number	1,592	1,026	**749**
	Female employees that returned to work in the reporting period after parental leave ended	Number	495	479	**367**
Occupational Safety and Health					
1	Recordable work-related injuries	Number	176	135	**119**
2	Number of work-related fatalities	Number	1	0	**1**
3	Accidents with Lost Time Injuries ("LTI")	Number	138	117	**109**
4	Lost time incident frequency rate ("LTIFR")	Rate	1.60	1.35[8]	**1.19**
5	Number of employees trained on health and safety standards	Number	15,817[8]	17,603	**17,802**
6	Certified SHE practitioners	Number	157	165	**533**
Human Rights					
1	Employees as Union Members	Number	19,939	18,602	**18,430**
2	Percentage of employees that are Union Members	Percentage	50	48	**49**
3	Total number of Unions	Number	24	24	**24**
4	Total number of Collective Agreements	Number	23	23	**23**
5	Number of substantiated complaints concerning human rights violations	Number	1[8]	1[8]	**0**
Supply Chain Management					
1	Proportion of Local and Foreign Vendors				
	i. Local	Percentage	95	95	**93**
	ii. Foreign	Percentage	5	5	**7**

No.	Indicator	Measurement Unit	Financial Year 2023	Financial Year 2024	Financial Year 2025
2	Proportion of Spending by Local and Foreign Vendors				
	i. Local	Percentage	80	71	**72**
	ii. Foreign	Percentage	20	29	**28**
3	Vendors assessed for environmental and social impacts	Number	14	12	**21**
Community Investment					
1	Total Corporate Responsibility Programmes	Number	217	201	**139**
2	Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	2.38 mil	2.20 mil	**2.69 mil**
3	Total number of beneficiaries of the investment in communities	Number	20,506	82,765	**90,761**
Data Privacy and Security[4]					
1	Percentage of employees' participation in internal cybersecurity trainings or assessment	Percentage	86	89	**100**
2	Total number of identified leaks, thefts, or losses of customer data	Number	1	0	**0**
3	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	1	0	**0**
Governance and Ethics					
1	Percentage of employees who have received training on Anti-Bribery and Anti-Corruption ("ABAC") by employee category[7]				
	i. Management	Percentage	23	75	**87**
	ii. Executive	Percentage	38	90	**94**
	iii. Non-executive	Percentage	3	53	**38**
2	Percentage of operations assessed for corruption-related risks[9]	Percentage	100	65	**79**
3	Confirmed incidents of corruption and action taken[10]	Number	0	0	**0**
4	Fines, penalties or settlements in relation to corruption	RM	0	0	**0**
5	Hours of ABAC training completed[7]	Hours	388	1,055	**851**
6	Number of fines/settlements over the previous three years where each is valued > US $100 million	Number	0	0	**0**
7	Combined total value of fines/settlements over the previous three years where each is valued > US $100 million (RM)	RM	0	0	**0**

1 *The data covers the Mobility segment.*
2 *Applying the transition relief on disclosure comparative information in the first annual reporting period. Please refer to pages 4 and 102.*
3 *Restated due to updates in Grid Emission Factors issued by Suruhanjaya Tenaga.*
4 *The tracking of this data was initiated in 2025.*
5 *Restated due to changes of calculation methodology from distance-based to average-data method.*
6 *Value stated is for rainwater harvesting system installed with meters.*
7 *The data covers HICOM Holdings Berhad only.*
8 *Restated due to the adoption of enhanced data collection methodology.*
9 *The measurement approach was refined in 2024 to assess corruption risks at the individual company level rather than at the sub-group level to enhance granularity and accuracy. As such, prior-year figures may not be directly comparable.*
10 *A confirmed incident of corruption refers to any case involving the solicitation, acceptance, offering or giving of gratification; submission of false claims; abuse of power; failure to report bribery or corrupt transactions; collusion; or other corrupt practices, that has been convicted by a court of law, whether in Malaysia or internationally. Incidents that remain under investigation during the reporting period are excluded.*

ISSB IFRS S2 CONTENT INDEX

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
S2.06(a)	**The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:**			
S2.06(a)(i)	How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	ISSB Sustainability Statement – Governance	103-104	
S2.06(a)(ii)	How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	ISSB Sustainability Statement – Governance	103-104	
S2.06(a)(iii)	How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	ISSB Sustainability Statement – Governance	103-104	
S2.06(a)(iv)	How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	ISSB Sustainability Statement – Board Oversight	103	
S2.06(a)(v)	How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	ISSB Sustainability Statement – Governance	103-104	
S2.06(b)	**Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:**			
S2.06(b)(i)	Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	ISSB Sustainability Statement – Management Role	103	
S2.06(b)(ii)	Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	ISSB Sustainability Statement – Management Role, Working Group	103-104	
Strategy				
S2.09	**Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:**			
S2.09(a)	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment, Outcome from Scenario Analysis	105-107, 108-109	

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
S2.09(b)	The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain.	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment	105-107	
S2.09(c)	The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment, Outcome from Scenario Analysis	105-107, 108-109	
S2.09(d)	The effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment	105-107	
S2.09(e)	The climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	Qualitative climate scenario analysis has been undertaken to assess the resilience of the Group's strategy. Quantitative scenario modelling has not yet been applied, reflecting the use of reasonably available information without undue cost or effort in accordance with the proportionality provisions of IFRS S2 (Paragraph 22, B1).
	Climate-related Risks and Opportunities			
S2.10	**An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:**			
S2.10(a)	Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment	105-107	
S2.10(b)	Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk.	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment	105-107	
S2.10(c)	Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur.	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	
S2.10(d)	Explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	ISSB Sustainability Statement – Overall Climate Transition Plan, Scenario Analysis	104, 107	

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
	Business Model and Value Chain			
S2.13	**An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:**			
S2.13(a)	A description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain.	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment	105-107	
S2.13(b)	A description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment, Outcome from Scenario Analysis	105-107, 108-109	Assessment of physical climate risk exposure across the Group's facilities and assets has not yet been undertaken to determine where climate-related risks and opportunities are concentrated within the business model and value chain. This will be progressively enhanced using approaches appropriate to the Group's current capabilities in accordance with IFRS S2 (Paragraph 22, B17).
	Strategy and Decision-making			
S2.14	**An entity shall disclose information that enables users of general purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:**			
S2.14(a)	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:			
S2.14(a)(i)	Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment, Metrics of climate-related risks and opportunities, Green Mobility Performance	105-107, 110-112	
S2.14(a)(ii)	Current and anticipated direct mitigation and adaptation efforts	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment	105-107	
S2.14(a)(iii)	Current and anticipated indirect mitigation and adaptation efforts	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment	105-107	

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
S2.14(a)(iv)	Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies	ISSB Sustainability Statement – Outcome of Scenario Analysis, Metrics of climate-related risks and opportunities, Green Mobility Performance	108-109, 110-112	The Group has disclosed elements of its climate transition plan through its Net Zero roadmap, including key decarbonisation initiatives and targets. Implementation of the roadmap is supported by initiatives and performance related to fuel economy improvements, emissions management and green mobility, which contribute to the Group's progress towards its Net Zero ambitions. Further details on assumptions underpinning the plan are expected to evolve as the Group continues to develop its transition planning capabilities.
S2.14(a)(v)	How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.	ISSB Sustainability Statement – Climate-related Targets, Navigating towards Net Zero by 2050	110-111	
S2.14(b)	Information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	ISSB Sustainability Statement – Summary of Financial Effects for Climate-related Risks and Opportunities for the Mobility Segment, Outcome from Scenario Analysis	105-107, 108-109	
S2.14(c)	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	ISSB Sustainability Statement – Metrics and Targets	110-112	
Financial position, financial performance and cash flows				
S2.15	**An entity shall disclose information that enables users of general purpose financial reports to understand:**			
S2.15(a)	The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)	ISSB Sustainability Statement – Financial Effects of Climate-related Risks & Opportunities	105-107	
S2.15(b)	The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	ISSB Sustainability Statement – Financial Effects of Climate-related Risks & Opportunities	105-107	
S2.16	**Specifically, an entity shall disclose quantitative and qualitative information about:**			
S2.16(a)	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period	ISSB Sustainability Statement – Financial Effects of Climate-related Risks & Opportunities	105-107	
S2.16(b)	The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	ISSB Sustainability Statement – Financial Effects of Climate-related Risks & Opportunities	105-107	

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
S2.16(c)(i)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: its investment and disposal plans, including plans the entity is not contractually committed to.	ISSB Sustainability Statement – Financial Effects of Climate-related Risks & Opportunities	105-107	
S2.16(c)(ii)	Its planned sources of funding to implement its strategy	ISSB Sustainability Statement – Financial Effects of Climate-related Risks & Opportunities	105-107	
S2.16(d)	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	ISSB Sustainability Statement – Financial Effects of Climate-related Risks & Opportunities	105-107	
Climate Resilience				
S2.22(a)	**The entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:**			
S2.22(a)(i)	The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	
S2.22(a)(ii)	The significant areas of uncertainty considered in the entity's assessment of its climate resilience	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	Physical-risk exposure assessment has not yet been completed, and the Group will progressively identify and evaluate relevant premises and assets. Consistent with the proportionality provisions of IFRS S2, the assessment reflects the use of reasonably available information without undue cost or effort.
S2.22(a)(iii)(1)	The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including: the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	The Group's capacity to adjust and adapt is supported by ongoing investment in energy transition initiatives, operational efficiency measures and EV-related expansion, although detailed financial modelling of adaptation capacity has not yet been completed. Current assessments draw on reasonably available information, with financial resources prioritised based on identified climate-related risks and opportunities in accordance with IFRS S2's proportionality provisions.
S2.22(a)(iii)(2)	The entity's ability to redeploy, repurpose, upgrade or decommission existing assets	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	The Group has begun integrating climate related considerations into asset planning, with the ability to redeploy, repurpose or upgrade selected facilities particularly those supporting energy transition initiatives and EV related activities while detailed asset level assessments have not yet been fully completed. Consistent with IFRS S2's proportionality provisions, the evaluation of physical risk exposure and required asset modifications will be expanded progressively using reasonably available information without undue cost or effort.

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
S2.22(a)(iii)(3)	The effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	The Group's current and planned investments such as renewable energy initiatives, energy-efficiency measures and EV-related expansion support mitigation, adaptation and long-term climate resilience. However, the effect of these investments under different climate scenarios has not yet been assessed, as detailed scenario modelling has not been undertaken. Consistent with IFRS S2's proportionality provisions, the Group's assessment reflects reasonably available information and will be enhanced progressively as scenario-based analysis is developed.
S2.22 (b)	**How and when the climate-related scenario analysis was carried out, including:**			
S2.22(b)(i)	Information about the inputs the entity used, including:			
S2.22(b)(i)(1)	Which climate-related scenarios the entity used for the analysis and the sources of those scenarios	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	A detailed climate-related scenario analysis has not yet been undertaken, and therefore the entity has not identified specific scenarios, scenario sources, or the associated transition and physical risk pathways. In line with IFRS S2's proportionality provisions, the Group is relying on reasonably available information without undue cost or effort, and scenario selection, justification will be developed progressively as the Group enhances its analytical.
S2.22(b)(i)(2)	Whether the analysis included a diverse range of climate-related scenarios	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	
S2.22(b)(i)(3)	Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	
S2.22(b)(i)(4)	Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	
S2.22(b)(i)(5)	Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	
S2.22(b)(i)(6)	The time horizons the entity used in the analysis	ISSB Sustainability Statement – Outcome of the Scenario Analysis	108-109	
S2.22(b)(i)(7)	What scope of operations the entity used in the analysis	ISSB Sustainability Statement – First Time Adoption and Additional Transition Reliefs (ATR)	102	Mobility Segment
		Risk Management		
S2.25(a)	**The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:**			
S2.25(a)(i)	The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes)	ISSB Sustainability Statement – Organisational Boundary	102	
S2.25(a)(ii)	Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks	ISSB Sustainability Statement – Scenario Analysis, Outcome of Scenario Analysis	107-109	
S2.25(a)(iii)	How the entity assesses the nature, likelihood and magnitude of the effects of those risks	ISSB Sustainability Statement – Climate-related Risk and Opportunity Management Process	110	

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
S2.25(a)(iv)	Whether and how the entity prioritises climate-related risks relative to other types of risk	ISSB Sustainability Statement – Climate-related Risk and Opportunity Management Process	110	
S2.25(a)(v)	How the entity monitors climate-related risks	ISSB Sustainability Statement – Governance, Climate-related Risk and Opportunity Management Process	103-104, 110	
S2.25(a)(vi)	Whether and how the entity has changed the processes it uses compared with the previous reporting period	-	N/A	No material changes.
S2.25(b)	The processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities	ISSB Sustainability Statement – Scenario Analysis, Outcome of Scenario Analysis, Risk Management	104, 107-109, 110	
S2.25(c)	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process	ISSB Sustainability Statement – Climate-related Risk and Opportunity Management Process	110	
Metrics and Targets				
Climate-related Metrics				
S2.29	**An entity shall disclose information relevant to the cross-industry metric categories of:**			
S2.29(a)(i)	Greenhouse gases – the entity shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent, classified as: (1) Scope 1 greenhouse gas emissions (2) Scope 2 greenhouse gas emissions (3) Scope 3 greenhouse gas emissions	ISSB Sustainability Statement – GHG Emissions Performance	112	
S2.29(a)(ii)	Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions.	ISSB Sustainability Statement – Operational Boundary, Methodologies, Inputs and Assumptions	102, 113	
S2.29(a)(iii)	**Disclose the approach it uses to measure its greenhouse gas emissions including:**			
S2.29(a)(iii)(1)	The measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions.	ISSB Sustainability Statement – Methodologies, Inputs and Assumptions	113	
S2.29(a)(iii)(2)	The reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions	ISSB Sustainability Statement – Operational Boundary, Methodologies, Inputs and Assumptions	102, 113	
S2.29(a)(iii)(3)	Any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes	-	N/A	There were no changes to the methodologies, factors, boundaries, or assumptions from prior year.

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
S2.29(a)(iv)	**For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1) – (2), disaggregate emissions between:**			
S2.29(a)(iv)(1)	The consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries)	ISSB Sustainability Statement – GHG Emissions Performance	112	
S2.29(a)(iv)(2)	Other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries)	ISSB Sustainability Statement – GHG Emissions Performance	112	
S2.29(a)(v)	For Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions	ISSB Sustainability Statement – GHG Emissions Performance	112	
S2.29(a)(vi)	**For Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose:**			
S2.29(a)(vi)(1)	The categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)	–	N/A	Not disclosed due to applied transition reliefs.
S2.29(a)(vi)(2)	Additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance	–	N/A	Not disclosed due to applied transition reliefs.
S2.29(b)	Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks	ISSB Sustainability Statement – Summary of Financial Effects of Climate-related Risks & Opportunities, Outcome of Scenario Analysis	105-109	DRB-HICOM applies the principle of proportionality for quantitative scenario analysis as the Group's scenario assessment is currently qualitative in nature and will be progressively enhanced as analytical capabilities continue to be developed.
S2.29(c)	Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks	ISSB Sustainability Statement – Summary of Financial Effects of Climate-related Risks & Opportunities, Outcome of Scenario Analysis	105-109	DRB-HICOM applies the principle of proportionality for quantitative scenario analysis as the Group's scenario assessment is currently qualitative in nature and will be progressively enhanced as analytical capabilities continue to be developed.
S2.29(d)	Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities	ISSB Sustainability Statement – Summary of Financial Effects of Climate-related Risks & Opportunities, Outcome of Scenario Analysis	105-109	DRB-HICOM applies the principle of proportionality for quantitative scenario analysis as the Group's scenario assessment is currently qualitative in nature and will be progressively enhanced as analytical capabilities continue to be developed.
S2.29(e)	Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	ISSB Sustainability Statement – Metrics of climate-related risks and opportunities	112	

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
S2.29(f)	**Internal carbon prices – the entity shall disclose:**			
S2.29(f)(i)	An explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis).	ISSB Sustainability Statement – Internal Carbon Price and Carbon Credit	113	DRB-HICOM currently does not have an Internal Carbon Price ("ICP") in place. However, the Group continues to strengthen its climate-related assessment approach to support long-term decision making, including the potential future application of an ICP.
S2.29(f)(ii)	The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions.	ISSB Sustainability Statement – Internal Carbon Price and Carbon Credit	113	DRB-HICOM currently does not have an ICP in place. However, the Group continues to strengthen its climate-related assessment approach to support long-term decision making, including the potential future application of an ICP.
S2.29 (g)	**Remuneration – the entity shall disclose:**			
S2.29(g)(i)	A description of whether and how climate-related considerations are factored into executive remuneration.	ISSB Sustainability Statement – Climate Performance Compensation Incentive-linked	104	
S2.29(g)(ii)	The percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	ISSB Sustainability Statement – Climate Performance Compensation Incentive-linked	104	
	Climate-related Targets			
S2.33	**An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:**			
S2.33(a)	The metric used to set the target	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.33(b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives)	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.33(c)	The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region)	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.33(d)	The period over which the target applies	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.33(e)	The base period from which progress is measured	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.33(f)	Any milestones and interim targets	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.33(g)	If the target is quantitative, whether it is an absolute target or an intensity target	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.33(h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target	ISSB Sustainability Statement – Metrics & Targets	110-111	

IFRS S2 Indicator	Disclosure Requirements – Core Content	Location	Page Reference	Remarks
S2.34	**An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:**			
S2.34(a)	Whether the target and the methodology for setting the target has been validated by a third party.	ISSB Sustainability Statement – Statement of Assurance	103	Not disclosed, but there are plans to pursue third party assurance in the future.
S2.34(b)	The entity's processes for reviewing the target.	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.34(c)	The metrics used to monitor progress towards reaching the target.	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.34(d)	Any revisions to the target and an explanation for those revisions.	ISSB Sustainability Statement – Metrics & Targets	110-111	There were no revisions to the targets from prior year.
S2.36	**For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:**			
S2.36(a)	Which greenhouse gases are covered by the target.	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.36(b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	ISSB Sustainability Statement – Metrics & Targets	110-111	
S2.36(c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target	-	N/A	Not applicable as entity discloses Gross greenhouse gas emissions.
S2.36(d)	Whether the target was derived using a sectoral decarbonization approach	-	N/A	DRB-HICOM applies the principle of proportionality for quantitative scenario analysis as the Group's scenario assessment is currently qualitative in nature and will be progressively enhanced as analytical capabilities continue to be developed.
S2.36(e)	**The entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including**			
S2.36(e)(i)	The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits	ISSB Sustainability Statement – Internal Carbon Price and Carbon Credit	113	Not applicable for DRB-HICOM.
S2.36(e)(ii)	Which third-party scheme(s) will verify or certify the carbon credits	ISSB Sustainability Statement – Internal Carbon Price and Carbon Credit	113	Not applicable for DRB-HICOM.
S2.36(e)(iii)	The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal	ISSB Sustainability Statement – Internal Carbon Price and Carbon Credit	113	Not applicable for DRB-HICOM.
S2.36(e)(iv)	Any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset)	ISSB Sustainability Statement – Internal Carbon Price and Carbon Credit	113	Not applicable for DRB-HICOM.

SASB SECTOR DISCLOSURE TOPICS AND METRICS

Auto Parts; Automobiles; Aerospace and Defence; Multiline and Specialty Retailers & Distributors

Topic	Code	Accounting Metric	Unit of Measure	Page reference
Energy Management	TR-AP 130a.1 RT-AE-130a.1 CG-MR-130a.1	(1) Total energy consumed	Gigajoules (GJ)	ISSB Sustainability Statement – Metrics and Targets, page 112 Performance Data Table, page 493 Sustainability Theme 2 – Protecting the Environment: Energy Management, page 147
		(2) percentage grid electricity and	Percentage (%)	ISSB Sustainability Statement – Metrics and Targets, page 112 Performance Data Table, page 493 Sustainability Theme 2 – Protecting the Environment: Energy Management, page 147
		(3) percentage renewable	Percentage (%)	ISSB Sustainability Statement – Metrics and Targets, page 112 Performance Data Table, page 493 Sustainability Theme 2 – Protecting the Environment: Energy Management, page 147
Fuel Economy & Use-phase Emissions	TR-AU-410a.1	Sales-weighted average passenger fleet fuel economy, by region	Mpg, L/km, gCO_2/ km, km/L	ISSB Sustainability Statement – Metrics and Targets, page 112 Performance Data Table, page 493 Sustainability Theme 1 – Creating Customer Value: Products and Services Innovation, page 136
	TR-AU-410a.2	Number of (1) zero emission vehicle (ZEV)	Number	ISSB Sustainability Statement – Metrics and Targets, page 112 Performance Data Table, page 493
		(2) hybrid vehicles and	Number	ISSB Sustainability Statement – Metrics and Targets, page 112 Performance Data Table, page 493
	TR-AU-410a.3	Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities	N/A	Sustainability Theme 1 – Creating Customer Value: Products and Services Innovation, page 136
Waste Management	TR-AP-150a.1 RT-AE-150a.1	Total waste generated	Metric Tonnes	Sustainability Theme 2 – Protecting the Environment: Waste Management, page 161 Performance Data Table, page 494
Data Security	RT-AE-230a.1 CG-MR-230a.2	(1) Number of data breaches	Number	Sustainability Theme 4 – Upholding Business Integrity: Data Privacy and Security, page 216 Performance Data Table, page 497
Workforce Diversity & Inclusion	CG-MR-330a.1	Percentage of (1) gender for (a) executive management, (b) non-executive management and (c) all other employees	Percentage (%)	Sustainability Theme 3 – Enriching People and Communities: Diversity and Inclusivity, page 172 Performance Data Table, pages 494-496
	CG-MR-330a.1	Percentage of for (2) diversity group representation for (a) executive management, (b) non-executive management and (c) all other employees	Percentage (%)	Sustainability Theme 3 – Enriching People and Communities: Diversity and Inclusivity, page 172 Performance Data Table, pages 494-496
Product Safety	TR-AU-250a.1	Percentage of vehicle models rated by NCAP with an overall 5-star safety rating, by region	Percentage (%)	Sustainability Theme 1 – Creating Customer Value: Products and Services Innovation, page 133 Performance Data Table, page 493

GRI CONTENT INDEX

Statement of Use	DRB-HICOM Berhad has reported the information cited in this GRI content index for the period [1 January 2025 to 31 December 2025] with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standards and Disclosure		**Location**
GRI 2: General Disclosure 2021		
2-1	Organisational details	Basis of This Report, pages 4-5 DRB-HICOM at a Glance, pages 6-12 Corporate Information, page 13 Group Corporate Structure, pages 14-15
2-2	Entities included in the organisation's sustainability reporting	Basis of This Report, pages 4-5
2-3	Reporting period, frequency and contact point	Basis of This Report, pages 4-5
2-4	Restatements of information	*Restatements of information are disclosed under the relevant sections and at the Performance Data table, where relevant and applicable*
2-5	External assurance	Basis of This Report, page 5
2-6	Activities, value chain and other business relationships	DRB-HICOM at a Glance, pages 6-12 Review of the Group's Segmental Contribution, pages 34-71 Strategic Alliances, pages 140-142
2-7	Employees	DRB-HICOM at a Glance, page 10 Value Creation Model, pages 80-81 Diversity and Inclusivity, pages 166 and 170-172 Performance Data Table, pages 494-495
2-8	Workers who are not employees	Diversity and Inclusivity, pages 170-172
2-9	Governance structure and composition	Corporate Governance Overview Statement, pages 238-249
2-10	Nomination and selection of the highest governance body	
2-11	Chair of the highest governance body	
2-12	Role of the highest governance body in overseeing the management of impacts	ISSB Sustainability Statement, pages 103-104 Approach to Sustainability, pages 121-122 Corporate Governance Overview Statement, pages 238-249
2-13	Delegation of responsibility for managing impacts	
2-14	Role of the highest governance body in sustainability reporting	
2-15	Conflicts of interest	Corporate Governance Overview Statement, pages 238-249
2-16	Communication of critical concerns	Diversity and Inclusivity, pages 166-166 Human Rights, pages 194-195 Governance and Ethics, page 219 Statement on Risk Management and Internal Control, pages 265-275
2-17	Collective knowledge of the highest governance body	Corporate Governance Overview Statement, pages 243-246

GRI Standards and Disclosure		Location
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement, pages 242 and 248
2-19	Remuneration policies	
2-20	Process to determine remuneration	
2-21	Annual total compensation ratio	*Information unavailable due to confidentiality constraints.*
2-22	Statement on sustainable development strategy	DRB-HICOM at a Glance, pages 6-12 Approach to Sustainability, pages 116-121 Value Creation Model, pages 80-81 ISSB Sustainability Statement, pages 110-111 Corporate Governance Overview Statement, pages 243-244
2-23	Policy commitments	Links to Policies disclosed under relevant sections across each Sustainability theme, pages 127-223
2-24	Embedding policy commitments	Human Rights, page 193 Governance and Ethics, page 220 Corporate Governance Overview Statement, pages 246-248
2-25	Processes to remediate negative impacts	Human Rights, pages 194-195 Governance and Ethics, pages 219-220 Directors' Statement on Risk Management and Internal Control, pages 265-275
2-26	Mechanisms for seeking advice and raising concerns	
2-27	Compliance with laws and regulations	*There were no significant instances of non-compliance with laws and regulations, and no fines were incurred during the reporting period* Performance Data Table, page 497
2-28	Membership associations	Approach to Sustainability, pages 124-125
2-29	Approach to stakeholder engagement	What Matters To Our Stakeholders, pages 82-86
2-30	Collective bargaining agreements	Human Rights, pages 192-195
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	What Matters To Our Stakeholders, pages 87-91
3-2	List of material topics	What Matters To Our Stakeholders, pages 87-91
3-3	Management of material topics	Sustainability in Action, pages 118-223
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Group's 5-year Financial Highlights, pages 16-17 Value Creation Model, pages 80-81 Talent Management and Employee Engagement, page 177 Community Investment, page 211
201-2	Financial implications and other risks and opportunities due to climate change	ISSB Sustainability Statement, pages 106-110
201-3	Defined benefit plan obligations and other retirement plans	Notes to the Financial Statements, page 401
201-4	Financial assistance received from government	Notes to the Financial Statements, pages 398-340
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Community Investment, pages 206-211
203-2	Significant indirect economic impacts	Products and Services Innovation, pages 134-138 Community Investment, pages 206-211

GRI Standards and Disclosure		Location
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Supply Chain Management, page 203 Performance Data Table, page 497
GRI 204: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Governance and Ethics, page 222 Performance Data Table, page 497
205-2	Communication and training about anti-corruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	ISSB Sustainability Statement, page 114 Energy Management, pages 147-148 Performance Data Table, page 493
302-2	Energy consumption outside of the organisation	Energy Management, pages 147-148
302-4	Reduction of energy consumption	Energy Management, pages 147-148
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Water Management, pages 150-153
303-2	Management of water discharge-related impacts	Water Management, pages 148-153
303-3	Water withdrawal	Water Management, page 153 Performance Data Table, page 494
303-4	Water discharge	Water Management, page 153 Performance Data Table, page 494
303-5	Water consumption	Water Management, page 153 Performance Data Table, page 494
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity, pages 162-164
304-2	Significant impacts of activities, products and services on biodiversity	Biodiversity, pages 162-164
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity, pages 163-164
GRI 305: Emissions 2016		
305-1	Direct (Scope) 1 GHG emissions	ISSB Sustainability Statement, page 114 Energy Management, page 148 Performance Data Table, page 493
305-2	Energy indirect (Scope 2) GHG emissions	ISSB Sustainability Statement, page 114 Energy Management, page 148 Performance Data Table, page 493
305-3	Other indirect (Scope 3) GHG emissions	Energy Management, page 148 Performance Data Table, page 493
305-4	GHG emissions intensity	Performance Data Table, page 493
305-5	Reduction of GHG emissions	ISSB Sustainability Statement – Metrics and Targets, pages 114-115 Energy Management, pages 147-149
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Waste Management, page 156
306-2	Management of significant waste-related impacts	Waste Management, pages 155-160

GRI Standards and Disclosure		Location
306-3	Waste generated	Waste Management, page 161 Performance Data Table, page 494
306-4	Waste diverted from disposal	Waste Management, page 161 Performance Data Table, page 494
306-5	Waste directed to disposal	Waste Management, page 161 Performance Data Table, page 494
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management, pages 198 and 200 Performance Data Table, page 496
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management, pages 199-201 Performance Data Table, page 497
GRI 401: Employment 2016		
401-1	New employees hires and employee turnover	Diversity and Inclusivity, page 171 Talent Development and Employee Engagement, page 176 Performance Data Table, page 495
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Development and Employee Engagement, page 183
401-3	Parental leave	Talent Development and Employee Engagement, page 184 Performance Data Table, page 496
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Occupational Safety and Health, pages 186 and 188-189
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Safety and Health, pages 188-189
403-3	Occupational health services	Occupational Safety and Health, pages 186-190 Talent Development and Employee Engagement, pages 179-183
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Safety and Health, pages 186-190
403-5	Worker training on occupational health and safety	Occupational Safety and Health, page 189
403-6	Promotion of worker health	Occupational Safety and Health, pages 187-189 Talent Development and Employee Engagement, pages 179-183
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Safety and Health, pages 186-190
403-8	Workers covered by an occupational health and safety management system	Occupational Safety and Health, page 189
403-9	Work-related injuries	Occupational Safety and Health, page 188 Performance Data Table, page 496
403-10	Work-related ill health	Occupational Safety and Health, page 188
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Talent Development and Employee Engagement, page 171 Performance Data Table, page 496
404-2	Programmes for upgrading employee skills and transition assistance programmes	Talent Development and Employee Engagement, pages 174-176
404-3	Percentage of employees receiving regular performance and career development reviews	Talent Development and Employee Engagement, page 175

GRI Standards and Disclosure		Location
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Diversity and Inclusivity, pages 171-172 Corporate Governance Overview Statement, page 252 Performance Data Table, pages 494-495
405-2	Ratio of basic salary and remuneration of women to men	*Information unavailable due to confidentiality constraints.*
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Human Rights, page 195 Performance Data Table, page 496
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights, pages 192-193
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Human Rights, pages 191 and 193
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights, pages 191 and 193
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programmes	Community Investment, pages 204-211
413-2	Operations with significant actual and potential negative impacts on local communities	*Information unavailable due to confidentiality constraints.*
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Supply Chain Management, pages 198 and 200
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management, pages 199-201 Performance Data Table, page 497
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Products and Services Innovation, page 133
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security, page 216 Performance Data Table, page 497

MATERIAL PROPERTIES OF DRB-HICOM GROUP

As at 31 December 2025

No.	Location	Description/ existing use	Year of acquisition/ revaluation	Approximate age of building	Tenure	Approximate area	Group Net book value as at 31 December 2025 RM'000
1.	PTDs No. 154415, 177654 - 177655, 177668, 177680, 177684, 177686 - 178090, 178093 - 178492, 178498, 178505, 178521, 178526 - 178936, 178939, 178944 - 178947, 178957 - 179100, 179109 - 179111 Mukim Tebrau Daerah Johor Bahru Johor Darul Ta'zim	Land held for residential and commercial development	2020	-	Freehold	3,046,302 sq.m (Land)	1,650,850
2.	H.S.(D) B.P. 5653 and 5654 Bil PT 16162 and 10163 Mukim Ulu Bernam Timur District of Batang Padang Perak Darul Ridzuan	Automobile plant, administrative building and sports complex facilities	2013	23 years	Freehold	5,150,600 sq.m (Land)	617,632
3.	Lots No. 39617, 39619 and 46970 Mukim Damansara District of Petaling Selangor Darul Ehsan	Main office, main factory, engine factory, medium volume factory, canteen buildings, sports facilities, additional R&D laboratories building, car park for production cars and staff and semi-high speed test track	2013	29-41 years	Freehold	816,100 sq.m (Land)	380,689
4.	Lots 1341, 2645, 2646, 2649, 2714, 2715, 2726, 4115, 16275 and 16278 Mukim Pulau Sebang District of Alor Gajah Melaka	Land held for future development	2022	-	Freehold and leasehold 67 years expiring on 2033	1,140,485 sq.m (Land)	250,076

No.	Location	Description/ existing use	Year of acquisition/ revaluation	Approximate age of building	Tenure	Approximate area	Group Net book value as at 31 December 2025 RM'000
5.	PM 1362 Lot 15710 PM 1364 Lot 15712 PM 1365 Lot 15713 PM 1366 Lot 15714 *(now known as PM 1467 Lot 27208)* PM 1368 Lot 15716, PM 1369 Lot 15717, PM 1370 Lot 15718, PN 54215 Lot 26778 Mukim Batu Berendam District of Melaka Tengah Melaka	Industrial land with office and building	2014	11-29 years	Leasehold expiring on 2096	208,056 sq.m (Land and Building)	195,713
6.	H.S.(D) 4546 PT 13225 Mukim Pekan and PN 26159 Lot 15111 Mukim Langgar Daerah Pekan Pahang Darul Makmur	University, college campus and hostel	2010 and 2013	14 years	Leasehold 99 years expiring in years 2109 and 2112	257,831 sq.m (Land)	172,734
7.	H.S.(D) 305 PT 1580, 31D H.S.(D) 3365 PT 2205, H.S.(M) 1721 PT 2366, 31A H.S.(D) 2228 PT 413, 31B H.S.(D) 2227 PT 1814, 31C H.S.(D) 1950 PT 1490, and H.S.(D) 3421 PT 9770 Mukim Langgar Daerah Pekan Pahang Darul Makmur	Main office, paintshop, canteen, engineering workshop, inventory, body storage, paint mixer, assembly shop, sludge area shed, logistics, CKD yard, plastic parts spray booth, wastewater treatment, bumper pre-treatment and rework area	2012	12-40 years	Leasehold 66 years expiring on 2043 - 2057	428,130 sq.m (Land)	161,557
8.	H.S.(D) 22080 Lot PT 2018, H.S.(D) 22079 Lot PT 2017 Bandar Kota Perdana Mukim Bukit Kayu Hitam Daerah Kubang Pasu Kedah Darul Aman	Land held for future development	2015	-	Freehold	809,400 sq.m (Land)	137,182
9.	Lot 61821 Bandar Glenmarie District of Petaling Selangor Darul Ehsan	Office, factory, canteen buildings and sports facilities used for the casting plant	2013	29 years	Freehold	95, 443 sq.m (Land)	100,672
10.	Southern Support Zone KL International Airport Sepang Selangor Darul Ehsan	Head Office, Cargo Complex, Workshop and Inflight Catering	2000	-	Leasehold 50 years expiring in year 2048	55,985 sq.m (Land)	72,584

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 36th Annual General Meeting ("AGM") of DRB-HICOM Berhad ("DRB-HICOM" or "the Company") will be held at Glenmarie Ballroom, Hilton Shah Alam Glenmarie (formerly known as Glenmarie Hotel & Golf Resort), No. 1, Jalan Usahawan U1/8, Seksyen U1, 40250 Shah Alam, Selangor Darul Ehsan on Tuesday, 26 May 2026 at 10.00 a.m. for the purpose of transacting the following businesses:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025, together with the Reports of the Directors and Auditors thereon.
   Please refer to Explanatory Note A

2. To re-elect the following Directors, who retire by rotation in accordance with Article 77 of the Company's Constitution and who being eligible, offer themselves for re-election:
   (i) Tan Sri Wan Zulkiflee Wan Ariffin **(Resolution 1)**
   (ii) Tan Sri Syed Faisal Albar Syed A.R Albar **(Resolution 2)**
   Please refer to Explanatory Note B

3. To re-elect Dato' Adnan Hisham Pawanteh who retires in accordance with Article 83 of the Company's Constitution and who being eligible, offers himself for re-election. **(Resolution 3)**
   Please refer to Explanatory Note C

4. To approve the payment of Directors' fees to the Non-Executive Chairman and Non-Executive Directors up to an amount of RM2,076,000 from 27 May 2026 until the next AGM of the Company. **(Resolution 4)**
   Please refer to Explanatory Note D

5. To approve the payment of benefits payable (excluding Directors' fees) to the Non-Executive Chairman and Non-Executive Directors up to an amount of RM1,286,000 from 27 May 2026 until the next AGM of the Company. **(Resolution 5)**
   Please refer to Explanatory Note E

6. To re-appoint KPMG PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **(Resolution 6)**
   Please refer to Explanatory Note F

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolution, with or without any modifications:

7. Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature **(Resolution 7)**

   "THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and subject to the Companies Act 2016 ("CA 2016"), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant governmental and/or regulatory authorities, approval be hereby given to the Company and its subsidiary companies (collectively "DRB-HICOM Group") to enter into any of the recurrent related party transactions ("RRPTs") of a revenue or trading nature as set out in Section 2.2.3 of the Circular to Shareholders dated 27 April 2026, which are necessary for the day-to-day operations in the ordinary course of business of the DRB-HICOM Group, on normal commercial terms, which are not more favourable to the related parties than those generally available to the public, undertaken on an arm's length basis, and are not detrimental to the minority shareholders of the Company ("Shareholders' Mandate");

   THAT the Shareholders' Mandate shall continue to be in force until:

   (a) the conclusion of the next AGM of the Company, at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting;

   (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the CA 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the CA 2016); or

   (c) the Shareholders' Mandate is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

   whichever is the earlier;

   AND THAT the Directors of the Company be hereby authorised to complete and do all such acts (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Shareholders' Mandate."
   Please refer to Explanatory Note G

8. To transact any other business of which due notice shall have been given in accordance with the CA 2016 and the Company's Constitution.

By Order of the Board

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

Shah Alam, Selangor Darul Ehsan
27 April 2026

Notes:

1. **Proxy and/or Authorised Representative**

(a) Every Member including authorised nominees as defined under the Central Depositories Act and Exempt Authorised Nominees which holds ordinary shares in the Company for multiple beneficial owners in Omnibus Account, is entitled to:

(i) appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote instead of him at the meeting of Members and that such proxy need not be a Member; and

(ii) appoint more than one proxy in relation to the meeting provided that the Member specifies the proportion of his shareholdings to be represented by each proxy.

(b) Where a Member entitled to vote on a resolution has appointed more than one proxy, the proxies shall only be entitled to vote on poll provided that the Member specifies the proportion of his shareholdings to be represented by each proxy.

(c) Where a Member is an Exempt Authorised Nominee which holds ordinary shares under Omnibus Account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.

(d) The instrument appointing a proxy shall be in writing (in the common or usual form) ("Form of Proxy") under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under common seal of the corporation or under the hand of two authorised officers, one of whom shall be a Director, or of its attorney duly authorised in accordance with Section 66 of the CA 2016. A proxy may but need not be a Member of the Company and a Member may appoint any person without limitation to be his proxy. Form of Proxy authorises the proxy(ies) to demand or join in demanding a poll.

(e) The Form of Proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power or authority shall be deposited at the office of the Share Registrar, Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan (Tel: 603-7890 4700), not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the Form of Proxy proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the Form of Proxy shall not be treated as valid. Alternatively, the Form of Proxy can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Portal at https://investor.boardroomlimited.com before the proxy form lodgement cut-off time as mentioned above. Please refer to the Administrative Guide for further details.

2. **Voting by Poll**

Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions set out in this Notice will be put to vote by way of poll.

3. **Members entitled to attend**

For the purpose of determining a member who shall be entitled to attend the 36th AGM, the Company shall request Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 19 May 2026. Only a depositor whose name appears therein shall be entitled to attend the 36th AGM or appoint a proxy(ies) to attend and vote on such depositor's behalf.

4. **Explanatory Note A**
   - Audited Financial Statements

This agenda item is meant for discussion only as the provision of Section 340(1)(a) of the CA 2016 does not require the Audited Financial Statements to be formally approved by the shareholders. Hence, this item is not put forward for voting.

5. **Explanatory Note B**
   - Re-election of Directors who retire by rotation in accordance with Article 77 of the Company's Constitution

   Article 77 of the Company's Constitution provides that one-third (1/3) or the number nearest to one-third (1/3) of the Directors for the time being, shall retire from office so that all the Directors shall retire from office once at least in every three years and shall be eligible for re-election. Based on the current Board composition, two (2) Directors are to retire in accordance with Article 77 of the Company's Constitution.

   For the purpose of determining the eligibility of Directors standing for re-election at the 36th AGM, the Board through its Board Nomination and Remuneration Committee ("BNRC"), had assessed the retiring Directors' performance, contribution and independence via the annual Board Effectiveness Assessment ("BEA"), taking into consideration among others, the Directors' level of contribution to the Board's deliberations through their skills, experience and strength in qualities; demonstrated objectivity in the Board's decision-making process, gave valuable feedback through sharing of knowledge and experience and acted in the best interests of the Company.

   The Board also agreed with the BNRC's assessment that the retiring Directors' performance and contribution in the discharge of their duties during the assessment period had been satisfactory and met the criteria in the Fit and Proper Policy of the Company, amongst others, probity, personal and financial integrity, competence and time management.

   Based on the above, the Board approved the BNRC's recommendation that the Directors who retire by rotation in accordance with Article 77 of the Company's Constitution, namely Tan Sri Wan Zulkiflee Wan Ariffin and Tan Sri Syed Faisal Albar Syed A.R Albar are eligible to stand for re-election. The retiring Directors had abstained from the deliberation and decision on their respective eligibility to stand for re-election at the relevant Board/ BNRC meeting.

   The profile of the Directors who are standing for re-election are set out in pages 226-227 of the Integrated Annual Report 2025.

6. **Explanatory Note C**
   - Re-election of Director who retires in accordance with Article 83 of the Company's Constitution

   Article 83 of the Company's Constitution provides that any Director appointed by the Board shall hold office only until the next AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at the meeting.

   Dato' Adnan Hisham Pawanteh was appointed as Independent Non-Executive Director of the Company on 1 December 2025 and hence, he is due for re-election at the forthcoming 36th AGM pursuant to Article 83 of the Company's Constitution.

   The profile of the Director who is standing for re-election is set out in page 231 of the Integrated Annual Report 2025.

7. **Explanatory Notes D and E**
   - Directors' Fees and Benefits

   Section 230(1)(b) of the CA 2016 provides that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiary companies shall be approved at a general meeting.

   The Directors' fees and benefits payable to the Non-Executive Chairman and Non-Executive Directors ("NEDs") of the Company comprise fees and benefits payable to the Non-Executive Chairman and NEDs as members of the Board and Board Committees of the Company and its subsidiary companies, and the amount is estimated based on the following Directors' Remuneration Framework:

(A) Directors' Fees

(i) The Fee Framework for Board/Board Committees of DRB-HICOM

	Chairman (RM)	Member (RM)
Board	300,000	180,000
Board Audit Committee ("BAC")	60,000	40,000
Board Nomination and Remuneration Committee ("BNRC")	10,000	8,000
Board Risk and Sustainability Committee ("BRSC")	30,000	20,000

(ii) The Fee Framework of Subsidiary Companies that is applicable to the Members of DRB-HICOM Board who sits on Subsidiary Boards i.e. the Board of Pos Malaysia Berhad ("Pos Malaysia") or Bank Muamalat Malaysia Berhad ("Bank Muamalat")

Subsidiary Company	Fee (per annum)			
	Pos Malaysia		Bank Muamalat	
	Chairman (RM)	Member (RM)	Chairman (RM)	Member (RM)
Board	120,000	80,000	N/A	200,000
BAC	15,000	10,000	N/A	N/A
Board Committee (other than BAC)	8,000	6,000	N/A	N/A

Note:
N/A: Not Applicable

(B) Directors' Benefits

The Framework on Directors' Benefits of Board/Board Committee of DRB-HICOM and benefits applicable to Members of DRB-HICOM Board on Subsidiary Boards

Description	DRB-HICOM	Pos Malaysia	Bank Muamalat	
	Chairman & Member (RM)	Chairman & Member (RM)	Chairman (RM)	Member (RM)
Meeting Allowance (per meeting)				
Board	2,000	1,000	4,500	4,000
BAC	2,000	2,500	4,500	4,000
BNRC	2,000	1,000	4,500	4,000
BRSC/BRCC/BRSCC[2]	2,000	1,000	4,500	4,000
Other Committees of Subsidiary Company[3]	N/A	1,000	4,500	40,00
Monthly Fixed Allowance[1]	70,000	N/A	N/A	N/A

Note:

[1] *Monthly fixed allowance to the Chairman is made, in recognition of the significant roles in leadership and oversight, and the wide-ranging scope of responsibilities as the Chairman of DRB-HICOM in all matters concerning the interests and businesses of the Group*

[2] *BRCC – Board Risk and Compliance Committee for Bank Muamalat*

[2] *BRSCC – Board Risk, Sustainability and Compliance Committee for Pos Malaysia*

[3] *The Other Committees of Pos Malaysia are the Board Tender Committee, Board Digital-First Committee, and Shareholders' Meeting.*

[3] *The Other Committees of Bank Muamalat are the Board Veto Committee, and Board Technology Committee*

The total amount of Directors' fees and benefits payable to the Non-Executive Chairman and NEDs are estimated to be up to RM2,076,000 and RM1,286,000 respectively, from 27 May 2026 to the next AGM in 2027, based on the abovementioned Framework on Directors' Fees and Benefits and are subject to the shareholders' approval.

In determining the estimated total amount of Directors' fees and benefits payable for the Non-Executive Chairman and NEDs, the Board has considered various factors, including the number of scheduled meetings for the Board and Board Committees based on the composition of NEDs, including a provisional sum as contingency for future appointment of NEDs on the Board and increase in number of Board and Board Committee meetings.

The proposed Resolutions 4 and 5, if passed, will give authority to the Company to pay the Directors' fees and benefits payable on a quarterly/monthly basis and/or as and when incurred. The Board opined that it is just and equitable for such payment to be made, since the Non-Executive Chairman and the NEDs have discharged their responsibilities and rendered their services to the Company and its subsidiary companies throughout the period.

8. Explanatory Note F

- Re-appointment of Auditors

The BAC, at its meeting held on 24 March 2026, conducted its annual assessment of the performance and independence of the external auditors, KPMG PLT ("KPMG"), in accordance with the Company's External Auditor Policy & Procedure and the recommendations of the Malaysian Code on Corporate Governance 2021.

The annual assessment provides the BAC with a structured basis for maintaining effective oversight of the external auditors' overall performance, including, among others, the adequacy of the audit team, independence, performance quality and audit scope. Based on the assessment, the BAC was satisfied with KPMG's performance, technical competence, and audit independence, in accordance with Paragraph 15.21 of the MMLR of Bursa Securities.

The Board, at its meeting held on 26 March 2026, approved the BAC's recommendation to seek shareholders' approval at the 36th AGM for the re-appointment of KPMG as the Company's external auditors under Resolution 6.

9. Explanatory Note G

- Proposed Shareholders' Mandate

The Proposed Ordinary Resolution 7, if passed, will enable DRB-HICOM Group to enter into RRPTs of a revenue or trading nature, which are necessary for the day-to-day operations of the DRB-HICOM Group as set out in Section 2.2.3 of the Circular to Shareholders dated 27 April 2026, subject to the transactions being in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 36th AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxy(ies) and representative(s) appointed for the 36th AGM (including any adjournment thereof), and the preparation of attendance and compilation of the attendance lists, minutes and other documents relating to the 36th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the MMLR of Bursa Securities)

As at the date of this Notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at this 36th AGM of the Company.

GLOSSARY

Abbreviation	Definition
AAPG	Audit and Assurance Practice Guide
ABAC	Anti-Bribery and Anti-Corruption
ABACMS	Anti-Bribery and Anti-Corruption Management Systems
ABMS	Anti-Bribery Management Systems
ADAS	Advanced Driver Assistance Systems
AGM	Annual General Meeting
AHTV	Automotive Hi-Tech Valley
AHU	Air Handling Units
AI	Artificial Intelligence
AIBIM	Association of Islamic Banking and Financial Institutions Malaysia
AICPA	American Institute of Certified Public Accountants
AMA	Advanced Modular Architecture
AMIC	Aerospace Malaysia Innovation Centre
AMP	Annual Management Plan
APEL	Accreditation of Prior Experiential Learning
ARM	Alternative Raw Material
ASCOPE	ASEAN Council on Petroleum
ASEAN	Association of Southeast Asian Nations
ATR	Additional Transition Reliefs
B2B	Business to Business
B2C	Business to Consumer
B40	Bottom 40% of households based on income
BAC	Board Audit Committee
BBS	Behaviour-Based Safety
BCWA	Breast Cancer Welfare Association
BEA	Board Effectiveness Assessment
BESS	Battery Energy Storage Systems
BEV	Battery Electric Vehicle
BLAST	Building Leadership and Strategic Transformation Programme
BNM	Bank Negara Malaysia
BNRC	Board Nomination and Remuneration Committee
Board	Board of Directors
BRSC	Board Risk and Sustainability Committee
CA	Certification Authority
CAVIS	Computerised Automated Vehicles Inspection System
CBU	Completely Built-Up
CCB	Cycle & Carriage Bintang Berhad
CCUS Act 2025	Carbon Capture, Utilisation and Storage Act 2025
CEO	Chief Executive Officer
CG	Corporate Governance
CG Framework	Corporate Governance Framework
CG Report	Corporate Governance Report
CGC	Credit Guarantee Corporation Malaysia Berhad
CGPP	Corporate Green Power Programme
CKD	Completely Knocked-Down
CO_2e	Carbon Dioxide Equivalent
COEBP	Code of Ethics and Business Practice

Abbreviation	Definition
COP 28	28^{th} Conference of the Parties of the United Nations Framework Convention on Climate Change
COP 15	15^{th} Conference of Parties of the United Nations Convention on Biological Diversity
CPOS	Chiller Plant Optimisation System
CR	Corporate Responsibility
CRA	Corruption Risk Assessment
CRM	Customer Relationship Management
CRMSA	Climate-related Scenario Analysis
CROP	Cost Reduction and Optimisation Programme
CRRO	Climate-related risks and opportunities
CRSO	Chief Risk and Sustainability Officer
CRST	Climate Risk Stress Testing
CSI	Customer Satisfaction Index
CSU	Corporate Sustainability Unit
DC	Direct Current
DOE	Department of Environment
DVTS	DHAS Vehicle Tracking System
EACG	Energy Audit Conditional Grant
EECA 2024	Energy Efficiency and Conservation Act 2024
EES	Employee Engagement Survey
EESG	Economic, Environmental, Social and Governance
EIA	Environmental Impact Assessment
e-KYC	Electronic Know-Your-Customer
ERM	Enterprise Risk Management
ERT	Emergency Response Teams
ERP	Emergency Response Plans
ESA	Environmentally Sensitive Area
ESG	Environmental, Social, and Governance
EV	Electric Vehicle
EEV	Energy Efficient Vehicle
FMM	Federation of Malaysian Manufacturers
FOD	Foreign Object Debris
FRIM	Forest Research Institute Malaysia
GJ	Gigajoules
GBF	Kunming-Montreal Global Biodiversity Framework
GDP	Gross Domestic Product
GCFO	Group Chief Financial Officer
GCOO	Group Chief Operating Officer
Geely Holding	Zhejiang Geely Holding Group Co., Ltd.
GET	Green Electricity Tariff
GHC	Group Human Capital
GHG	Greenhouse Gas
GHG Protocol	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)
GIAID	Group Internal Audit and Integrity Division
GMA	Global Modular Architecture
GMC	Group Management Committee
GMD	Group Managing Director
GRI	Global Reporting Initiative
GRMSD	Group Risk Management and Sustainability Division

Abbreviation	Definition
GSHE	Group Safety, Health and Environment
GTC	Group Talent Council
HEV	Hybrid Electric Vehicle
HiLEAD	HICOM Holdings Berhad Leadership Efficacy and Development Programme
HIRARC	Hazard Identification, Risk Assessment and Risk Control
IAMS	Internationally Accredited Management Systems
IAR	Integrated Annual Report
ICDM	Institute of Corporate Directors Malaysia
ICP	Internal Carbon Price
ICQS	Immigration, Customs, Quarantine, and Security
IETS	Industrial Effluent Treatment Systems
IFRS	International Financial Reporting Standards
IGU	Integrity and Governance Unit
i-GT	Intelligent Green Technology
IIAM	Institute of Internal Auditors Malaysia
IIUM	International Islamic University Malaysia
INED	Independent Non-Executive Director
INTAN	Institut Tadbiran Awam Negara
IPCC	Intergovernmental Panel on Climate Change
IROSHE	Integrated Reporting Occupational Safety, Health, and Environment system
IT	Information Technology
ISSB	International Sustainability Standards Board
ICQS	Immigration, Customs, Quarantine and Security
IUCN	International Union for Conservation of Nature
JD	Job Description
km/L	Kilometre per litre
KPI	Key Performance Indicator
KRI	Key Risk Indicator
KSDH	Kelab Sukan DRB-HICOM
KTMB	Keretapi Tanah Melayu Berhad
kWh	Kilowatt-hour
LAMP	Leadership Advancement & Mastery Programme
LXP	Learning Experience Platform
LOA	Limits of Authority
LTI	Lost Time Injury
LTIFR	Lost Time Injury Frequency Rate
LTM	Learning & Talent Management
LPG	Liquefied Petroleum Gas
M1	Muamalat First
M40	Middle 40% of households based on income
MACC	Malaysian Anti-Corruption Commission
MAIA	Malaysian Aerospace Industry Association
MAP	Muamalat Application Platform
MARCOP	Mechanisation and Automation Research Consortium of Oil Palm
MARii	Malaysia Automotive Robotics and IoT Institute
MASB	Malaysian Accounting Standards Board
MCCG	Malaysian Code on Corporate Governance
MCPs	Mission Critical Positions
MDA	Management Delegated Authority
MEF	Malaysian Employers Federation
MFRS	Malaysian Financial Reporting Standards
MHEV	Mild-Hybrid Electric Vehicle
MIA	Malaysian Institute of Accountants

Abbreviation	Definition
MICPA	Malaysian Institute of Certified Public Accountants
MIGHT	Malaysian Industry-Government Group of High Technology
MINDEF	Ministry of Defence
ML	Megalitre
MMA	Malaysian Automotive Association
MMC	MMC Corporation Berhad
MMLR	Main Market Listing Requirements
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MREC	Malaysia Renewable Energy Certificate
MSME	Micro, Small and Medium Enterprise
MSOSH	Malaysian Society for Occupational Safety and Health
MSWG	Minority Shareholders Watch Group
MT or mt	Metric Tonnes
MWh	Megawatt-Hour
MWp	Megawatt Peak
NAICO	National Aerospace Industry Corporation Malaysia
NATC	National Automotive Test Centre
NCAP	New Car Assessment Programme
NDC	Nationally Determined Contribution
NDT	Non-Destructive Testing
NETR	National Energy Transition Roadmap
NEV	New Energy Vehicle
NGO	Non-Governmental Organisation
NIMP	New Industrial Master Plan
NPS	Net Promoter Score
NSRF	National Sustainability Reporting Framework
OACS	Organisational Anti-Corruption Strategy
ODL	Open and Distance Learning
OEM	Original Equipment Manufacturer
OPEC	Organization of the Petroleum Exporting Countries
OPR	Overnight Policy Rate
OSHA	Occupational Safety and Health Act 1994
OSHMS	Occupational Safety and Health Management System
OSH-C	Occupational Safety and Health Coordinators
PDPA	Personal Data Protection Act 2010
PHEV	Plug-in Hybrid Electric Vehicle
PKI	Public Key Infrastructure
PPA	Power Purchase Agreement
PPKI	Program Pendidikan Khas Integrasi
PRDC	PROTON R&D Centre
PUDO	Pick Up and Drop Off
PV	Photovoltaic
PYT	Proton Young Talent
RAC	Railway Assets Corporation
R&D	Research and Development
R&T	Research and Technology
RE	Renewable Energy
REC	Renewable Energy Certificate
RMC	Risk Management Committee
RPT	Related Party Transaction
RRPT	Recurrent Related Party Transaction
RTM	Radio Televisyen Malaysia
RWHS	Rainwater Harvesting System

Abbreviation	Definition
S2C	Source-to-Contract
S2P	Source-to-Pay
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goal
SHE	Safety, Health and Environment
SIAEC	SIA Engineering Company Ltd.
SLA	Service Level Agreements
smart	smart brand of electric vehicle
SME	Small- and Medium-Sized Enterprise
SOC	Security Operations Centre
SRM	Supplier Relationship Management
SSC	Sustainability Steering Committee
SSP	Shared Socioeconomic Pathways
SST	Sales and Service Tax
STEM	Science, Technology, Engineering and Mathematics
SWC	Sustainability Working Committee
TCAL	Transformational Coaching for Aspiring Leaders Programme
TCFD	Task Force on Climate-Related Financial Disclosures
tCO_2e	Metric Tonnes of Carbon Dioxide Equivalents
TIA	Term Investment Account
TIV	Total Industry Volume
TOR	Terms of Reference
TVET	Technical and Vocational Education and Training
UAV	Unmanned Aerial Vehicle
UCC	Unified Call Centre
UCUA	Unsafe Condition Unsafe Act reporting system
UiTM	Universiti Teknologi MARA
UN SDGs	United Nations Sustainable Development Goals
UNGC	United Nations Global Compact
USO	Universal Service Obligation
VBI	Value-Based Intermediation
VCOC	Vendor Code of Conduct
VPE	Vendor Performance Evaluation
WEF	World Economic Forum
WFM	Workforce Management
WOW	Working on Wellness

Companies Within the Group

Company	Entity Name
ACM	Automotive Corporation (Malaysia) Sdn. Bhd.
Avis Malaysia	DRB-HICOM EZ-Drive Sdn. Bhd.
CTRM	CTRM Holdings Sdn. Bhd.
Datapos	Datapos (M) Sdn. Bhd.
DEFTECH	DRB-HICOM Defence Technologies Sdn. Bhd.
DEFTECH Aviation	DEFTECH Aviation Sdn. Bhd.
DHAS	DRB-HICOM Auto Solutions Sdn. Bhd.
DHCV	DRB-HICOM Commercial Vehicles Sdn. Bhd.
DHU	DRB-HICOM University of Automotive Malaysia
EON	Edaran Otomobil Nasional Berhad
Euromobil	Euromobil Sdn. Bhd.
Glenmarie Properties	Glenmarie Properties Sdn. Bhd.
HAMM	HICOM Automotive Manufacturers (Malaysia) Sdn. Bhd.
HDSB	HICOM Diecastings Sdn. Bhd.
HESB	HICOM Engineering Sdn. Bhd.
HHB	HICOM Holdings Berhad
HHBPO	HICOM HBPO Sdn. Bhd.
HTS	HICOM-Teck See Manufacturing Malaysia Sdn. Bhd.
HYMM	HICOM-YAMAHA Manufacturing Malaysia Sdn. Bhd.
IHM	ISUZU HICOM Malaysia Sdn. Bhd.
Media City Development	Media City Development Sdn. Bhd.
MMM	Mitsubishi Motors Malaysia
MODENAS	Motosikal Dan Enjin Nasional Sdn. Bhd.
Northern Gateway	Northern Gateway Infrastructure Sdn. Bhd.
PHN	PHN Industry Sdn. Bhd.
Pos Ar-Rahnu	Pos Ar-Rahnu Sdn. Bhd.
Pos Aviation	Pos Aviation Sdn. Bhd.
Pos Digicert	Pos Digicert Sdn. Bhd.
Pos Logistics	Pos Logistics Berhad
Pos Malaysia	Pos Malaysia Berhad
PRO-NET	Proton New Energy Technology Sdn. Bhd.
PROTON	PROTON Holdings Berhad
PUSPAKOM	PUSPAKOM Sdn. Bhd.

FORM OF PROXY

For the 36th Annual General Meeting

DRB-HICOM

DRB-HICOM BERHAD
Registration No.:
199001011860 (203430-W)
(Incorporated in Malaysia)

Number of Shares Held	
CDS Account Number				-			-								

I/We ____ NRIC/Passport No./Company No.: ____________________
(Full Name as per NRIC/Certificate of Incorporation in Block Letters)
of ____ Telephone/Mobile Phone No.:____________________
(Full Address)
Email address:____
being a member/members of DRB-HICOM Berhad, hereby appoint the following:

Full Name (in Block Letters)		**Proportion of Shareholdings**	
NRIC/Passport No.		**No. of Shares**	**%**
Address			
Email Address			
Telephone/Mobile Phone No.			

and/or failing him/her

Full Name (in Block Letters)		**Proportion of Shareholdings**	
NRIC/Passport No.		**No. of Shares**	**%**
Address			
Email Address			
Telephone/Mobile Phone No.			

or failing him/her, the Chairman of the Meeting, as my/our proxy to attend and vote for me/us on my/our behalf at the 36th Annual General Meeting ("AGM") of the Company to be held at Glenmarie Ballroom, Hilton Shah Alam Glenmarie (formerly known as Glenmarie Hotel & Golf Resort), No. 1, Jalan Usahawan U1/8, Seksyen U1, 40250 Shah Alam, Selangor Darul Ehsan on Tuesday, 26 May 2026 at 10.00 a.m. and at any adjournment thereof.

My/our proxy is to vote on the resolutions as indicated by an "X" in the appropriate spaces below. If this form is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he/she thinks fit.

No.	**Ordinary Resolution**	**For**	**Against**
1.	Re-election of Tan Sri Wan Zulkiflee Wan Ariffin as a Director of the Company		
2.	Re-election of Tan Sri Syed Faisal Albar Syed A.R Albar as a Director of the Company		
3.	Re-election of Dato' Adnan Hisham Pawanteh as a Director of the Company		
4.	Approval of Directors' fees from 27 May 2026 until the next AGM of the Company		
5.	Approval of Directors' benefits (excluding Directors' fees) from 27 May 2026 until the next AGM of the Company		
6.	Re-appointment of KPMG PLT as Auditors of the Company		
7.	Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

Note: Please refer to the Notice of 36th Annual General Meeting for full details of the proposed Resolutions.

Dated this____________day of________________, 2026

....
Signature(s) of shareholder(s) or
Common Seal of corporate shareholder

NOTES:-

(a) Every Member including authorised nominees as defined under the Central Depositories Act and Exempt Authorised Nominees which holds ordinary shares in the Company for multiple beneficial owners in Omnibus Account, is entitled to:

  (i) appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote instead of him at the meeting of Members and that such proxy need not be a Member; and

  (ii) appoint more than one proxy in relation to the meeting provided that the Member specifies the proportion of his shareholdings to be represented by each proxy.

(b) Where a Member entitled to vote on a resolution has appointed more than one proxy, the proxies shall only be entitled to vote on poll provided that the Member specifies the proportion of his shareholdings to be represented by each proxy.

(c) Where a Member is an Exempt Authorised Nominee which holds ordinary shares under Omnibus Account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.

(d) The instrument appointing a proxy shall be in writing (in the common or usual form) ("Form of Proxy") under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under common seal of the corporation or under the hand of two authorised officers one of whom shall be a Director, or of its attorney duly authorised in accordance with Section 66 of the Companies Act, 2016. A proxy may but need not be a Member of the Company and a Member may appoint any person without limitation to be his proxy. Form of Proxy authorises the proxy(ies) to demand or join in demanding a poll.

(e) Form of Proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power or authority shall be deposited at the office of the Share Registrar, Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan (Tel: 603-7890 4700), not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the Form of Proxy proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the Form of Proxy shall not be treated as valid. Alternatively, the Form of Proxy can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Portal at https://investor.boardroomlimited.com before the proxy form lodgement cut-off time as mentioned above. Please refer to the Administrative Guide for further details.

(f) For purpose of determining a member who shall be entitled to the 36th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 19 May 2026. Only a depositor whose name appears therein shall be entitled to attend the 36th AGM or appoint a proxy(ies) to attend and vote on such depositor's behalf.

Then fold here

STAMP

Boardroom Share Registrars Sdn. Bhd.
Registration No: 199601006647 (378993-D)
Registrar for DRB-HICOM Berhad
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13
46200 Petaling Jaya, Selangor Darul Ehsan

1st fold here

DRB-HICOM Berhad
Registration No: 199001011860 (203430-W)

Level 5, Wisma DRB-HICOM
No. 2, Jalan Usahawan U1/8, Seksyen U1
40150 Shah Alam, Selangor.

Tel : +603 2052 8000
Fax: +603 2052 8099

www.drb-hicom.com