



MBM Resources Berhad

Registration No. 199301029757 (284496-V)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

**Unaudited Condensed Consolidated Financial Statements
For The Fourth Quarter Ended 31 December 2024**

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the twelve months ended 31 December 2024

	Note	Current Quarter Ended 31/12/2024 RM'000 (Unaudited)	Comparative Quarter Ended 31/12/2023 RM'000 (Unaudited)	12 months Cumulative To Date 31/12/2024 RM'000 (Unaudited)	Comparative 12 months Cumulative To Date 31/12/2023 RM'000 (Audited)
Revenue	8	660,863	699,557	2,485,617	2,416,188
Cost of sales		<u>(604,739)</u>	<u>(643,127)</u>	<u>(2,274,414)</u>	<u>(2,215,743)</u>
Gross profit		56,124	56,430	211,203	200,445
Other income		16,024	13,156	51,549	77,053
Administrative and other expenses		(31,626)	(25,451)	(114,158)	(104,910)
Selling and marketing expenses		(22,447)	(21,300)	(79,373)	(75,385)
Finance costs		(1,074)	(300)	(1,980)	(929)
Interest income		1,997	1,299	6,262	6,066
Share of results of a joint venture, net of tax		6,239	6,864	29,605	24,234
Share of results of associates, net of tax		<u>89,860</u>	<u>81,791</u>	<u>290,058</u>	<u>264,711</u>
Profit before tax	8	115,097	112,489	393,166	391,285
Income tax expense	17	<u>(6,221)</u>	<u>(6,486)</u>	<u>(20,649)</u>	<u>(23,004)</u>
Profit for the period		<u><u>108,876</u></u>	<u><u>106,003</u></u>	<u><u>372,517</u></u>	<u><u>368,281</u></u>
Profit for the period attributable to:					
Equity holders of the Company		97,722	94,588	332,990	331,228
Non-controlling interests		<u>11,154</u>	<u>11,415</u>	<u>39,527</u>	<u>37,053</u>
Profit for the period		<u><u>108,876</u></u>	<u><u>106,003</u></u>	<u><u>372,517</u></u>	<u><u>368,281</u></u>

These Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (cont'd)
For the twelve months ended 31 December 2024

	Current Quarter Ended 31/12/2024 RM'000 (Unaudited)	Comparative Quarter Ended 31/12/2023 RM'000 (Unaudited)	12 months Cumulative To Date 31/12/2024 RM'000 (Unaudited)	Comparative 12 months Cumulative To Date 31/12/2023 RM'000 (Audited)
Profit for the period	108,876	106,003	372,517	368,281
Other comprehensive income / (loss), net of tax				
<i>Item that will not be reclassified subsequently to profit or loss:</i>				
Share of revaluation (deficit) / surplus from fair value adjustments of assets in an associate	--	(532)	--	--
Share of foreign currency translation reserve of foreign operations of associates	--	267	(25)	288
Other comprehensive income / (loss) for the period, net of tax	--	(265)	(25)	288
Total comprehensive income for the period	<u>108,876</u>	<u>105,738</u>	<u>372,492</u>	<u>368,569</u>
Total comprehensive income attributable to:				
Equity holders of the Company	97,722	94,376	332,967	331,515
Non-controlling interests	11,154	11,362	39,525	37,054
Total comprehensive income for the period	<u>108,876</u>	<u>105,738</u>	<u>372,492</u>	<u>368,569</u>
Earnings per ordinary share	sen	sen	sen	sen
Basic and diluted	25.00	24.20	85.19	84.74

These Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 31 December 2024

	Note	As at end of Current Quarter 31/12/2024 RM'000 (Unaudited)	As at preceding Financial Year Ended 31/12/2023 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment		194,034	186,606
Right-of-use assets		9,758	3,951
Investment properties		64,937	69,309
Prepaid land lease payments		38,104	38,330
Investment in a joint venture		96,105	92,000
Investment in associates		1,766,929	1,651,993
Other investments		2,340	2,340
Deferred tax assets		5,071	4,850
Goodwill on consolidation		1,104	1,104
Total Non-Current Assets		<u>2,178,382</u>	<u>2,050,483</u>
Current Assets			
Inventories		114,209	161,035
Trade and other receivables and prepaid expenses		182,289	185,849
Tax recoverable		4,260	1,673
Cash and bank balances		258,322	197,245
		559,080	545,802
Assets classified as held for sale		2,583	--
Total Current Assets		<u>561,663</u>	<u>545,802</u>
TOTAL ASSETS	8	<u>2,740,045</u>	<u>2,596,285</u>

These Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)
As at 31 December 2024

	Note	As at end of Current Quarter 31/12/2024 RM'000 (Unaudited)	As at preceding Financial Year Ended 31/12/2023 RM'000 (Audited)
<u>EQUITY AND LIABILITIES</u>			
Capital and Reserves			
Share capital		391,651	391,651
Reserves		<u>1,834,849</u>	<u>1,736,414</u>
Equity attributable to the equity holders of the Company		2,226,500	2,128,065
Non-controlling interests		<u>320,635</u>	<u>297,895</u>
Total Equity		<u>2,547,135</u>	<u>2,425,960</u>
Non-Current Liabilities			
Deferred tax liabilities		3,335	2,896
Retirement benefits obligation		2,041	1,891
Lease liabilities		<u>8,411</u>	<u>1,661</u>
Total Non-Current Liabilities		<u>13,787</u>	<u>6,448</u>
Current Liabilities			
Short term borrowings	19	45,906	16,367
Trade and other payables and accrued expenses		128,528	142,114
Amount owing to holding company		26	63
Lease liabilities		2,210	2,404
Tax liabilities		<u>2,453</u>	<u>2,929</u>
Total Current Liabilities		<u>179,123</u>	<u>163,877</u>
Total Liabilities	8	<u>192,910</u>	<u>170,325</u>
TOTAL EQUITY AND LIABILITIES		<u>2,740,045</u>	<u>2,596,285</u>
Net assets per share attributable to owners of the Company (RM)			
		<u>5.70</u>	<u>5.44</u>

These Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the twelve months ended 31 December 2024

Note	/--- Non-distributable reserve ---/ Foreign currency			Distributable reserve - Retained earnings RM'000	Attributable to the equity holders of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Fair value reserve RM'000	translation reserve RM'000				
12 months ended 31 December 2023 (Audited)							
At 1 January 2023	391,651	3,762	(1)	1,659,124	2,054,536	287,194	2,341,730
Dividends distributed to owners of the Company	--	--	--	(257,986)	(257,986)	--	(257,986)
Dividends paid to non-controlling interests of subsidiaries	--	--	--	--	--	(26,353)	(26,353)
Profit for the period	--	--	--	331,228	331,228	37,053	368,281
Other comprehensive income for the period	--	--	287	--	287	1	288
Total comprehensive income	--	--	287	331,228	331,515	37,054	368,569
Reclassification of fair value reserve of an associate	--	(3,762)	--	3,762	--	--	--
At 31 December 2023	391,651	--	286	1,736,128	2,128,065	297,895	2,425,960
12 months ended 31 December 2024 (Unaudited)							
At 1 January 2024	391,651	--	286	1,736,128	2,128,065	297,895	2,425,960
Dividends distributed to owners of the Company	--	--	--	(234,532)	(234,532)	--	(234,532)
Dividends paid to non-controlling interests of subsidiaries	--	--	--	--	--	(16,785)	(16,785)
Profit for the period	--	--	--	332,990	332,990	39,527	372,517
Other comprehensive income for the period	--	--	(23)	--	(23)	(2)	(25)
Total comprehensive income	--	--	(23)	332,990	332,967	39,525	372,492
At 31 December 2024	391,651	--	263	1,834,586	2,226,500	320,635	2,547,135

These Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the twelve months ended 31 December 2024

	12 months ended 31/12/2024 RM'000 (Unaudited)	12 months ended 31/12/2023 RM'000 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	393,166	391,285
Adjustments for :		
Share of results of associates	(290,058)	(264,711)
Share of results of a joint venture	(29,605)	(24,234)
Depreciation and amortisation	17,923	19,607
Finance costs	1,980	929
Gain on disposal of assets classified as held for sale	--	(29,303)
Other non-cash items	309	471
Other non-operating items	<u>(6,271)</u>	<u>(6,262)</u>
Operating profit before working capital changes	87,444	87,782
Changes in working capital		
(Increase) / Decrease in trade and other receivables	3,479	12,907
(Increase) / Decrease in inventories	46,623	(45,698)
Increase / (Decrease) in trade and other payables	(13,586)	(29,074)
Net changes in other current assets and liabilities	114	(192)
Income tax refunded	--	744
Income tax paid	<u>(23,418)</u>	<u>(27,448)</u>
Net cash from / (used in) operating activities	<u><u>100,656</u></u>	<u><u>(979)</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received from associates	175,097	138,602
Dividends received from a joint venture	25,500	20,399
Interest income	6,185	5,990
Purchase of property, plant and equipment	(18,689)	(26,826)
Purchase of investment properties	--	(63)
Addition to prepaid land lease payments	(351)	--
Proceeds from disposal of property, plant and equipment	10	229
Proceeds from disposal of assets classified as held for sale	<u>--</u>	<u>47,948</u>
Net cash from / (used in) investing activities	<u><u>187,752</u></u>	<u><u>186,279</u></u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(234,532)	(257,986)
Dividends paid to non-controlling interests of subsidiaries	(16,785)	(26,353)
Finance costs paid	(1,980)	(929)
Bank borrowings	29,539	16,367
Lease payables	<u>(3,573)</u>	<u>(3,918)</u>
Net cash from / (used in) financing activities	<u><u>(227,331)</u></u>	<u><u>(272,819)</u></u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	61,077	(87,519)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	<u>197,245</u>	<u>284,764</u>
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	<u><u>258,322</u></u>	<u><u>197,245</u></u>
Cash and cash equivalents comprise :		
Cash and bank balances	258,322	197,245
Bank overdrafts	<u>--</u>	<u>--</u>
	<u><u>258,322</u></u>	<u><u>197,245</u></u>

These Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

Notes to the condensed consolidated interim financial statements

1. Basis of preparation

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), MFRS134: Interim Financial Reporting, the requirements of the Companies Act 2016 in Malaysia and comply with applicable disclosure provisions under Paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad.

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

2. Significant accounting policies

The accounting policies adopted for this unaudited condensed consolidated interim financial statements are consistent with those adopted by the Group's audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following new amendments to Malaysian Financial Reporting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board ("MASB") :

Effective for annual periods beginning on or after 1 January 2024

Amendments to:

MFRS 16	Lease Liability in a Sale and Leaseback
MFRS 101	Classification of Liabilities as Current or Non-current
MFRS 101	Non-current Liabilities with Covenants
MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of these amendments to MFRSs did not result in significant changes in the accounting policies of the Group and has no significant effect on the financial performance or position of the Group.

At the date of authorisation for issue of this unaudited interim financial statements, the new MFRSs and amendments to MFRSs which were in issue but not yet effective and has not been early adopted by the Group are as listed below :

Effective for annual periods beginning on or after 1 January 2025

Amendments to:

MFRS 121	Lack of Exchangeability
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Standards and Amendments effective date deferred to a date to be announced by MASB

Amendments to:

MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The adoption of these Standards and Amendments will have no material impact on the financial statements of the Group in the period of initial application.

3. Seasonal and cyclical factors

During the financial period under review, the Group's operations were not materially affected by any seasonal or cyclical factors.

4. Exceptional items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial period under review.

5. Estimates

There were no changes in the estimates of amounts reported in the prior interim period of the current financial year or the interim period of the prior financial year that have a material effect on the results for the current quarter under review.

6. Debt and equity securities

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

Notes to the condensed consolidated interim financial statements (cont'd)

7. Dividends paid

	Quarter ended 31/12/2024	Year to date 12 months ended 31/12/2024	Quarter ended 31/12/2024	Year to date 12 months ended 31/12/2024
	Per Ordinary Share Sen	Per Ordinary Share Sen	Amount RM'000	Amount RM'000
<u>In respect of the financial year ended 31 December 2023:</u>				
Final single tier dividend, proposed on 19 April 2024, approved by shareholders at the last Annual General Meeting on 30 May 2024 and paid on 28 June 2024.	--	15.0	--	58,633
<u>In respect of the financial year ended 31 December 2024:</u>				
First interim single tier dividend, declared on 28 August 2024 and paid on 26 September 2024.	--	6.0	--	23,453
Special interim single tier dividend, declared on 28 August 2024 and paid on 26 September 2024.	--	10.0	--	39,089
Second interim single tier dividend, declared on 25 October 2024 and paid on 20 December 2024.	7.0	7.0	27,362	27,362
Special interim single tier dividend, declared on 25 October 2024 and paid on 20 December 2024.	22.0	22.0	85,995	85,995
	<u>29.0</u>	<u>60.0</u>	<u>113,357</u>	<u>234,532</u>

8. Operating segments

The information reported to the Group's chief operating decision makers for the purposes of resource allocation and assessment of segment performance is specifically focused on the business segments as follows:

- (i) Motor Trading and Assembly : Marketing, distribution and assembly of motor vehicles, spare parts and provision of related services.
- (ii) Auto Parts Manufacturing : Manufacturing of automotive parts and components, steel wheels and discs, vibration and harshness ("NVH") products and provision of tyre assembly services.
- (iii) All others : Investment holding, corporate headquarters and other dormant companies.

Period ended 31 December 2024

	Motor Trading and Assembly RM'000	Auto Parts Manufacturing RM'000	All others RM'000	The Group RM'000
Revenues from external customers	2,182,372	300,495	2,750	2,485,617
Results for reportable segments	51,464	24,825	(7,068)	69,221
Share of results of a joint venture	--	29,605	--	29,605
Share of results of associates	286,057	4,001	--	290,058
Interest income	2,754	1,620	1,888	6,262
Finance costs	(1,873)	(107)	--	(1,980)
Profit/(loss) before tax for reportable segment	338,402	59,944	(5,180)	393,166
Depreciation and amortisation	(10,721)	(5,498)	(1,704)	(17,923)
Other significant non-cash items				
- Property, plant and equipment written off	(10)	(15)	--	(25)
- Allowance for slow moving inventories	(163)	(40)	--	(203)
- Allowance for expected credit losses	(129)	--	--	(129)
- Allowance for expected credit losses no longer required	48	--	--	48
Capital expenditure	13,852	5,135	53	19,040
Segment assets	593,793	182,499	100,719	877,011
Investment in a joint venture	--	73,206	22,899	96,105
Investment in associates	1,720,648	46,281	--	1,766,929
Segment liabilities	(137,848)	(47,299)	(7,763)	(192,910)

Notes to the condensed consolidated interim financial statements (cont'd)

8. Operating segments (cont'd)

Period ended 31 December 2023

	<u>Motor Trading and Assembly</u>	<u>Auto Parts Manufacturing</u>	<u>All others</u>	<u>The Group</u>
	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	2,097,579	316,082	2,527	2,416,188
Results for reportable segments	52,827	21,513	22,863	97,203
Share of results of a joint venture	--	24,234	--	24,234
Share of results of associates	261,119	3,592	--	264,711
Interest income	2,787	1,558	1,721	6,066
Finance costs	(753)	(176)	--	(929)
Profit/(loss) before tax for reportable segment	315,980	50,721	24,584	391,285
Depreciation and amortisation	(10,953)	(6,949)	(1,705)	(19,607)
Other significant non-cash items				
- Fair value gain on other investment	60	--	--	60
- Property, plant and equipment written off	(17)	(6)	--	(23)
- Allowance for slow moving inventories	(388)	(99)	--	(487)
- Allowance for slow moving inventories no longer required	70	105	--	175
- Allowance for expected credit losses	(283)	--	(68)	(351)
- Allowance for expected credit losses no longer required	108	--	--	108
Capital expenditure	3,356	23,502	31	26,889
Segment assets	541,097	198,313	112,882	852,292
Investment in a joint venture	--	69,101	22,899	92,000
Investment in associates	1,607,502	44,491	--	1,651,993
Segment liabilities	(113,478)	(50,012)	(6,835)	(170,325)

Reconciliations of reportable operating segment revenues, profit or loss, assets and liabilities

	Period ended 31/12/2024 RM'000	Period ended 31/12/2023 RM'000
<u>Revenues</u>		
Total revenues for Group's reportable segments	2,482,867	2,413,661
All others	2,750	2,527
Revenue, as reported	<u>2,485,617</u>	<u>2,416,188</u>
<u>Profit or loss</u>		
Total profit / (loss) for Group's reportable segments, including finance costs and interest income	78,683	77,756
All others	(5,180)	24,584
Share of results of a joint venture	29,605	24,234
Share of results of associates	290,058	264,711
Profit before tax, as reported	<u>393,166</u>	<u>391,285</u>
<u>Assets</u>		
Total assets for Group's reportable segments	776,292	739,410
All others	100,719	112,882
Investment in a joint venture	96,105	92,000
Investment in associates	1,766,929	1,651,993
Total assets, as reported	<u>2,740,045</u>	<u>2,596,285</u>
<u>Liabilities</u>		
Total liabilities for Group's reportable segments	185,147	163,490
All others	7,763	6,835
Total liabilities, as reported	<u>192,910</u>	<u>170,325</u>

Notes to the condensed consolidated interim financial statements (cont'd)

9. Material subsequent events

There were no material subsequent events during the current quarter under review.

10. Changes in composition of the Group

There were no material changes in the composition of the Group during for the current quarter under review.

11. Capital commitments

The amount of commitments in respect of the acquisition of property, plant and equipments not provided for in the interim financial statements as at 31 December 2024 is as follows :

	<u>RM'000</u>
Approved and contracted for	6,404
Approved and not contracted for	<u>3,028</u>

12. Significant related party transactions

During the period ended 31 December 2024, the Group and the Company had the following transactions with related parties:

	<u>31/12/2024</u> <u>RM'000</u>
<u>Group</u>	
Purchases from a subsidiary of Perusahaan Otomobil Kedua Sdn. Bhd. ("Perodua")	1,526,697
Sales to Perodua, its subsidiaries and associates	50,680
Purchases from Daihatsu Motor Co., Ltd	1,719
Purchases from Hino Motors Sales (Malaysia) Sdn. Bhd.	<u>33,025</u>
<u>Company</u>	
Dividends from:	
- subsidiaries	87,518
- associates	139,950
Management fees from subsidiaries	<u>191</u>

13. Contingent liabilities or assets

The Group does not have any significant contingent liabilities or assets which upon due or enforceable, may have a material impact on the results of the Group.

Notes to the condensed consolidated interim financial statements (cont'd)

14. Review of Group performance

Fourth quarter ended 31 December 2024 compared with fourth quarter ended 31 December 2023

	Revenue				Profit / (Loss) Before Tax ("PBT")			
	Quarter ended 31-Dec-24	Quarter ended 31-Dec-23	Change		Quarter ended 31-Dec-24	Quarter ended 31-Dec-23	Change	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Total, as reported	660,863	699,557	(38,694)	(5.5)	115,097	112,489	2,608	2.3
Business segments:								
Motor Trading and Assembly	580,736	612,763	(32,027)	(5.2)	14,074	17,947	(3,873)	(21.6)
Auto Parts Manufacturing	79,319	86,172	(6,853)	(8.0)	6,777	6,649	128	1.9
Share of results of a joint venture					6,239	6,864	(625)	(9.1)
Share of results of associates					89,860	81,791	8,069	9.9
Others	808	622	186	29.9	(1,853)	(762)	(1,091)	(143.2)

Group

The Group recorded revenue of RM660.9 million for the current quarter, representing a decline of RM38.7 million or 5.5% compared to the corresponding quarter in 2023. However, Profit Before Tax (PBT) saw a slight increase of RM 2.6 million or 2.3% from the corresponding quarter driven by stronger performance from associates.

The share of results in joint venture posted marginally lower profit by RM0.6 million or 9.1% to close at RM6.2 million.

Associates contributed RM89.9 million to the results, marking an increase of RM8.1 million or 9.9% compared to the corresponding quarter last year, driven by consistently high production and sales volumes.

Included in Others are the Group's investment holding revenue and costs.

Motor Trading and Assembly

The Division closed the quarter with RM580.7 million in revenue, lower than the corresponding quarter by RM32.0 million or 5.2%. The decline in revenue was primarily attributed by lower supply of Perodua vehicles at year end, and reduced Volkswagen volume due to lack of new models. Sales volume for commercial vehicles under Daihatsu remained challenging as well due to model limitations, among other factors. These declines are also consistent with the lower Total Industry Volume (TIV) reported for the quarter compared to the corresponding quarter in 2023. On a positive note, the Division experienced encouraging demand for its new Jaeco dealership which was launched in August 2024, and higher Volvo volume for the quarter under review. Additionally, the Division's aftersales revenue and margins continued to perform strongly, sustaining the momentum observed in recent years.

With the mix performance from our brands, PBT for the Division was lower by RM3.9 million or 21.6% as compared to the corresponding quarter in 2023.

Auto Parts Manufacturing

Our Auto Parts Manufacturing Division registered revenue of RM79.3 million for the quarter under review, lower than the corresponding quarter by RM6.9 million or 8.0%. The reduction is also in line with the 5.2% lower TIP for the current quarter as compared to the corresponding quarter last year.

Despite lower revenue, the Division was able to maintain comparable PBT for the current quarter at RM6.8 million, 1.9% higher than the same quarter last year as production demand from certain customers remained strong, complimented by improved operational efficiency.

Notes to the condensed consolidated interim financial statements (cont'd)

14. Review of Group performance (cont'd)

Twelve months year to date ended 31 December 2024 against previous year to date ended 31 December 2023

	Revenue				Profit / (Loss) Before Tax ("PBT")			
	Year to date ended 31-Dec-24 RM'000	Year to date ended 31-Dec-23 RM'000	Change		Year to date ended 31-Dec-24 RM'000	Year to date ended 31-Dec-23 RM'000	Change	
			RM'000	%			RM'000	%
Total, as reported	2,485,617	2,416,188	69,429	2.9	393,166	391,285	1,881	0.5
<u>Business segments:</u>								
Motor Trading and Assembly	2,182,372	2,097,579	84,793	4.0	52,345	54,861	(2,516)	(4.6)
Auto Parts Manufacturing	300,495	316,082	(15,587)	(4.9)	26,338	22,895	3,443	15.0
One-off gains from disposals~					--	28,358	(28,358)	(100.0)
Share of results of a joint venture					29,605	24,234	5,371	22.2
Share of associates' results					290,058	264,711	25,347	9.6
Others	2,750	2,527	223	8.8	(5,180)	(3,774)	(1,406)	(37.3)

~ The one-off gains from disposals are net of incidental costs.

Group

For the 12-month period ended 31st December 2024, the Group achieved RM2,485.6 million in revenue, an increase of RM69.4 million or 2.9% compared to the corresponding period in 2023. This growth slightly outperformed the market TIV increase of 2.1% in 2024 as compared to 2023.

PBT for the Group reached RM393.2 million, marginally higher than RM391.3 million achieved in 2023 despite a RM28.4 million non-operating gain recognised in 2023. Excluding the non-operating gain of RM28.4 million recognised in 2023, the Group's PBT for current year was higher by RM30.2 million or 8.3%. This improvement over the operating PBT of RM362.9 million in 2023 was contributed mainly by stronger performance from our Perodua sales and Manufacturing Division, new addition of Jaecoo, and the higher share of the results from both our joint venture entity and associates.

Motor Trading and Assembly

For the 12-month period ended 31st December 2024, the Division achieved RM2,182.4 million in revenue, RM84.8 million or 4.0% higher than the corresponding period in 2023. As mentioned above, the higher revenue was primarily driven by the 11.8% increase in the Division's Perodua sales volume and new Jaecoo addition into the Group. The consistent aftersales performance also contributed to additional 5.0% increase in revenue as compared to 2023.

PBT for the Division however, closed the year at RM52.3 million, slightly lower than 2023 by RM2.5 million or 4.6% mainly due to model mix and adjusted margins to retain competitive market positioning.

Auto Parts Manufacturing

Our Auto Parts Manufacturing Division registered revenue of RM300.5 million for the year, a reduction of RM15.6 million or 4.9% against the preceding year mainly due to change in component purchase arrangement for certain customer. Overall sales volume remained slightly stronger than the preceding year, aligning with the 2.0% year-on-year increase in TIP. This is also reflected in the higher PBT for 2024 amounting to RM26.3 million, RM3.4 million or 15.0% higher than the preceding year. The better performance was driven mainly by enhanced margins coming from the high production demand while maintaining costs efficiencies.

Notes to the condensed consolidated interim financial statements (cont'd)

14. Review of Group performance (cont'd)

Fourth quarter ended 31 December 2024 against previous quarter ended 30 September 2024

	Revenue				Profit / (Loss) Before Tax ("PBT")			
	Quarter ended 31-Dec-24 RM'000	Quarter ended 30-Sep-24 RM'000	Change		Quarter ended 31-Dec-24 RM'000	Quarter ended 30-Sep-24 RM'000	Change	
			RM'000	%			RM'000	%
Total, as reported	660,863	638,372	22,491	3.5	115,097	102,643	12,454	12.1
Business segments:								
Motor Trading and Assembly	580,736	558,127	22,609	4.1	14,074	13,611	463	3.4
Auto Parts Manufacturing	79,319	79,618	(299)	(0.4)	6,777	6,737	40	0.6
Share of results of a joint venture					6,239	8,614	(2,375)	(27.6)
Share of associates' results					89,860	74,433	15,427	20.7
Others	808	627	181	28.9	(1,853)	(752)	(1,101)	(146.4)

Group

The Group's revenue rose by RM22.5 million or 3.5% as compared to the preceding quarter of 2024 driven mainly by year end promotions.

Operating PBT for the Group likewise registered higher PBT of RM115.1 million, RM12.5 million or 12.1% higher as compared to the preceding quarter's PBT.

The share of results in joint venture closed the quarter at RM6.2 million, RM2.4 million or 27.6% lower than the preceding quarter mainly due to customer mix, timing of price adjustments and higher provisions at year end.

The share of associates' results however recorded higher profits of RM89.9 million, RM15.4 million or 20.7% higher than the preceding quarter coming mainly from the year end promotions.

Motor Trading and Assembly

The Motor Trading and Assembly Division closed the quarter with RM580.7 million in revenue, with an increase of RM22.6 million or 4.1% compared to the preceding quarter. This growth was primarily driven by both higher vehicle sales and aftersales due to the factors mentioned earlier.

The operating PBT therefore also closed higher by RM0.5 million or 3.4%, reaching PBT of RM14.1 million for the quarter.

Auto Parts Manufacturing

Our Auto Parts Manufacturing Division maintained its quarter revenue of RM79.3 million, comparable to the preceding quarter revenue of RM79.6 million.

PBT for the Division likewise closed the quarter at RM6.8 million, comparable to the preceding quarter PBT of RM6.7 million.

Notes to the condensed consolidated interim financial statements (cont'd)

15. Current year prospects

Global trade tensions continue to escalate with the imposition of tariffs among major economies. This has led to raw material price volatility, trade diversions, and potential inflationary pressures worldwide.

Domestically, Ministry of Finance (MOF) projected Malaysia's GDP growth rate to remain robust at between 4.5%–5.5%, supported by increased domestic consumption following civil servant salary adjustments and the minimum wage hike. Growth is further strengthened by higher Foreign Direct Investments (FDIs) driven by demand for data centers and increased government expenditure on major infrastructure projects.

The Malaysian Automotive Association (MAA) reported a record-breaking Total Industry Volume (TIV) of 816,747 units for 2024, surpassing the 800,000-unit milestone. For 2025, TIV is expected to remain stable, underpinned by upcoming model launches, government-led electrification initiatives, and higher consumer spending power.

Nevertheless, the Group anticipates facing key challenges such as the implementation of fuel subsidy rationalisation, higher volatility of foreign exchange rates and rising competition from local and foreign brands especially from Chinese OEMs. Despite these challenges the Group remains focused on long-term value creation for its stakeholders.

16. Variance from profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the year.

17. Income tax expense

	Current Quarter 31/12/2024 RM'000	Year to date 31/12/2024 RM'000
Current year's provision	6,001	20,338
Add : Under/(Over) provision in prior years	<u>2</u>	<u>93</u>
	6,003	20,431
Deferred taxation	<u>218</u>	<u>218</u>
Income tax expense	<u><u>6,221</u></u>	<u><u>20,649</u></u>

A reconciliation of the statutory income tax rate at 24% to the effective income tax rate of the Group for the current quarter and for the year-to-date are as follows :

	Current Quarter 31/12/2024 %	Year to date 31/12/2024 %
Statutory income tax rate in Malaysia	24.0	24.0
Adjustment for tax applicable to share of results of associates	(18.7)	(17.7)
Adjustment for tax applicable to share of results of a joint venture	(1.3)	(1.8)
Expenses not deductible for tax purpose / (Income not subject to tax)	1.4	0.7
Under/(Over) provision of income tax in prior year	<u>--</u>	<u>--</u>
	<u><u>5.4</u></u>	<u><u>5.2</u></u>

18. Corporate proposals

There were no corporate proposals announced but not completed by the Group as at the date of this report.

19. Group borrowings and debt securities

	As at 31/12/2024		
	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Denominated in Malaysian Currency (RM)			
Secured	45,906	--	45,906
Unsecured	<u>--</u>	<u>--</u>	<u>--</u>
Total	<u><u>45,906</u></u>	<u><u>--</u></u>	<u><u>45,906</u></u>

Notes to the condensed consolidated interim financial statements (cont'd)

20. Material litigations

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

21. Dividend

The Board did not declare any dividend for the current quarter.

22. Earnings per ordinary share (EPS)

	Quarter ended		Year to date 12 months ended	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Profit attributable to owners of the Company	RM'000 97,722	RM'000 94,588	RM'000 332,990	RM'000 331,228
Number of ordinary shares in issue	'000 390,887	'000 390,887	'000 390,887	'000 390,887
Basic and diluted earnings per share	sen 25.00	sen 24.20	sen 85.19	sen 84.74

The basic and diluted earnings per share are the same as the Company has no dilutive ordinary shares.

23. Independent Auditors' Report of Preceding Annual Financial Statements

The independent auditors' report on the financial statements of the Group and of the Company as at and for the year ended 31 December 2023 was not qualified.

24. Items to disclose in the Statement of Comprehensive Income

	Quarter ended		Year to date 12 months ended	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	RM'000	RM'000	RM'000	RM'000
a) Depreciation and amortisation	(4,800)	(5,623)	(17,923)	(19,607)
b) Property, plant and equipment written off	(24)	(3)	(25)	(23)
c) Gain on disposal of property, plant and equipment	--	12	10	196
d) Gain on disposal of assets classified as held for sale	--	--	--	29,303
e) Fair value gain on other investment	--	60	--	60
f) Allowance for slow-moving inventories	--	(73)	(203)	(487)
g) Allowance for slow-moving inventories no longer required	1	175	--	175
h) Allowance for expected credit loss	--	(177)	(129)	(351)
i) Allowance for expected credit loss no longer required	98	108	48	108
j) Realised gain / (loss) on foreign exchange	(162)	(12)	(168)	(95)

BY ORDER OF THE BOARD
MBM RESOURCES BERHAD

NG SENG HOO
COMPANY SECRETARY
KUALA LUMPUR
DATED : 27 FEBRUARY 2025