

FINANCIAL HIGHLIGHTS

In 2022, Khazanah's overall portfolio remained broadly resilient, benefitting from the progress made on portfolio rebalancing and diversification to date.

For the year under review, the Net Asset Value (NAV) of our Total Fund declined by RM4.4 billion to RM81 billion, attributed by the global market downtrends. In terms of portfolio return, the Investments Portfolio recorded a -5.7% in NAV time-weighted rate of return (TWRR) for the year and 2.2% on a four-year rolling basis.

“

Khazanah recorded a profit of RM1.6 billion, compared to RM670 million in 2021. The increased profit was mainly from monetisation activities and various income distributions. It is also due to lower impairment in the portfolio such as Malaysia Airlines which was aided by the recovery of the aviation industry as a whole and disciplined cash management strategy.”

We remain steadfast in realising opportunities and executing value creation plans for all our existing investments.

We have entered into a strategic partnership with SK ecoplant from South Korea through our investment in Cenviro, with the aim of driving growth to become a regional waste management champion.

In addition, we successfully listed Farm Fresh during the year, the culmination of our 12-year investment in the dairy company.

In terms of new investments, we identified RM500 million of new opportunities for Dana Impak (our impact fund), with the aim of increasing Malaysia's economic competitiveness, building national resilience and delivering socio-economic impact to Malaysians.

Debt increased marginally to RM49.1 billion compared to RM48.5 billion in the previous year, while Realisable Asset Value (RAV) over debt ratio remained healthy at 2.7x and on track to achieve the long-term target of 3.0x – 4.0x.

Khazanah declared a dividend of RM500 million for 2022 to the Government of Malaysia, with cumulative dividends declared since 2004 amounting to RM17.1 billion.



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Financial Statements 2022

OVERALL KHAZANAH PORTFOLIO

Investments Portfolio

RM122.5 billion
RAV¹

Investments with commercial returns expectations



Continue portfolio rebalancing efforts towards the target Strategic Asset Allocation

Dana Impak Portfolio

RM6.0 billion
Allocated

Investments with clearly defined targeted socio-economic outcomes



Plan and execute investments across the 6 identified themes to **deliver** measurable **socio-economic impact**

Developmental Assets

RM4.3 billion
RAV¹

Long-term developmental investments with the potential to deliver economic impact



Continue shepherding companies towards **long-term financial sustainability**

Special Situations



Assets which require turnaround in terms of profitability and sustainable operating cash flows



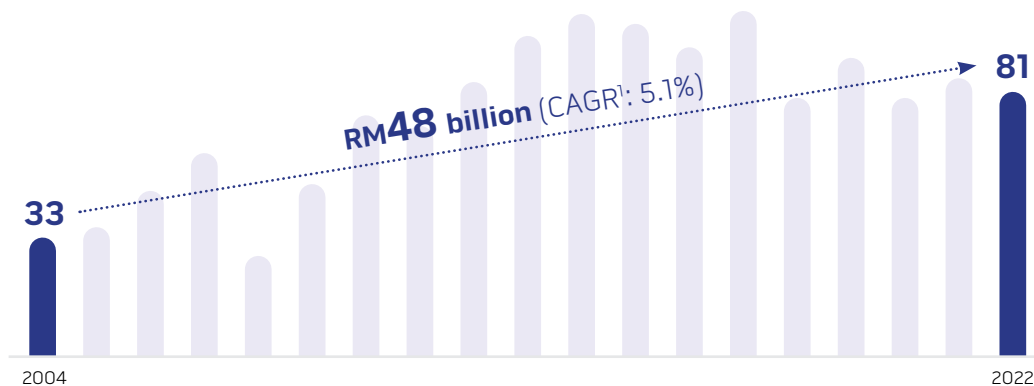
Active management to **resolve** assets faced with severely **challenging situations**

¹ As at 31 December 2022



To learn more about our investment approach, please refer to **Chapter 5 – And Deliver Value for All** on page 46 of this report.

Overall Khazanah Portfolio NAV Growth (RM billion)



RM17.1 billion

Cumulative Dividends paid to Government of Malaysia

RM65.1 billion

Cumulative Shareholder Return

¹ Compounded Annual Growth Rate

KEY FINANCIAL INDICATORS

Income Statement (RM million)

For the years ended 31 December

	2022	2021	2020	2019	2018
Revenue	8,017	5,353	8,364	14,290	4,471
Profit/(loss) from operations	1,630	670	2,897	7,360	(6,271)
Taxation	(156)	(226)	(88)	(82)	(249)
Net profit/(loss) for the year	1,474	444	2,809	7,278	(6,520)
Dividends declared					
- Normal dividend	(500)	(2,000)	(1,000)	(1,000)	(1,000)
- Special dividend	-	-	(1,000)	-	(500)
Net profit/(loss) for the year after dividends	974	(1,556)	809	6,278	(8,020)

Balance Sheet (RM million)

As at 31 December

	2022	2021	2020	2019	2018
Total assets	86,819	84,822	81,888	83,066	86,819
Total liabilities (Note A)	(50,101)	(49,504)	(45,474)	(46,584)	(55,902)
Net assets	36,718	35,318	36,414	36,482	30,917
Share capital	12,284	12,284	12,284	12,284	12,284
Retained profits	16,093	15,119	16,675	15,866	9,587
Other reserves	8,341	7,915	7,455	8,332	9,046
Shareholders' funds	36,718	35,318	36,414	36,482	30,917

Note A - Included in total liabilities are borrowings as follows:

Borrowings (RM million)

As at 31 December

	2022	2021	2020	2019	2018
Khazanah's Government-guaranteed bonds	5,767	7,943	9,878	10,639	12,626
Other bonds and notes	30,188	29,826	26,245	24,997	23,015
Term loans	5,985	5,802	3,352	2,500	5,067
Exchangeable Sukuk	1,015	3,283	3,135	3,133	2,899
Revolving credit facilities	6,189	1,624	456	4,500	11,628
	49,144	48,478	43,066	45,769	55,235

- The above income statements and balance sheets are derived from Khazanah's Extended Company Financial Statements, which refers to the consolidation of the financial statements of Khazanah (Company) and its Special Purpose Vehicles (SPVs). These SPVs are wholly-owned subsidiaries of Khazanah, which have been set up to actively hold investments or as funding vehicles of the Company.
- Revenue includes realised divestment gains from investments classified as fair value through other comprehensive income that was recycled to retained earnings upon divestment.
- Profit/(loss) from operations consist of profit/(loss) before tax, realised divestment gains and permanent reduction value of assets classified as fair value through other comprehensive income that was recycled to retained earnings.