



KHAZANAH  
NASIONAL



ADVANCING  
MALAYSIA

# KHAZANAH ANNUAL REVIEW 2025

5 February 2025

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[www.khazanah.com.my](http://www.khazanah.com.my)





# 2024 IN REVIEW





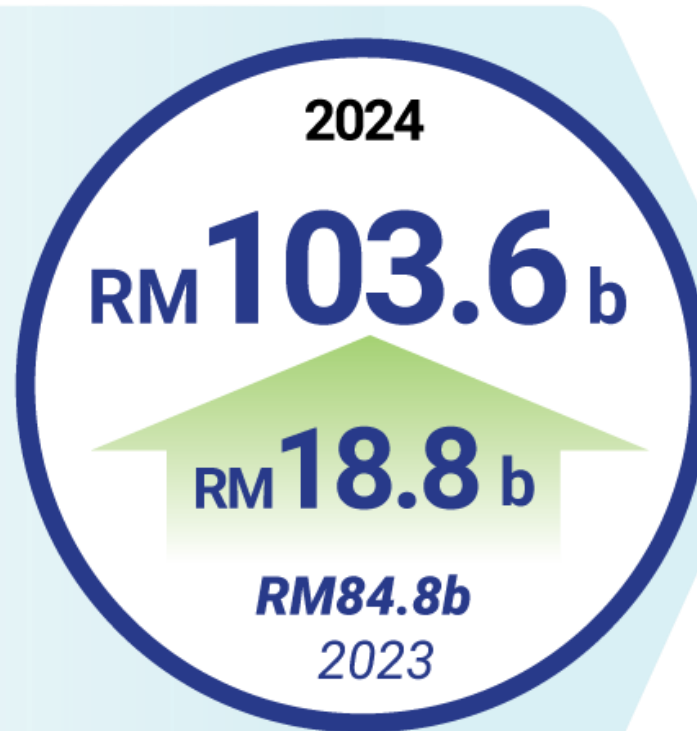
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Khazanah's investments have grown significantly in 2024, with NAV increasing by RM18.8b. The Investments Portfolio is the mainstay of financial returns for Khazanah

**RAV<sup>1</sup>**  
Realisable Asset Value



**NAV**  
Net Asset Value



**Overall Khazanah  
Portfolio Breakdown**



<sup>1</sup>RAV includes Cash and Cash Equivalents, Other Current Assets, Other Current Liabilities and Bond Assets



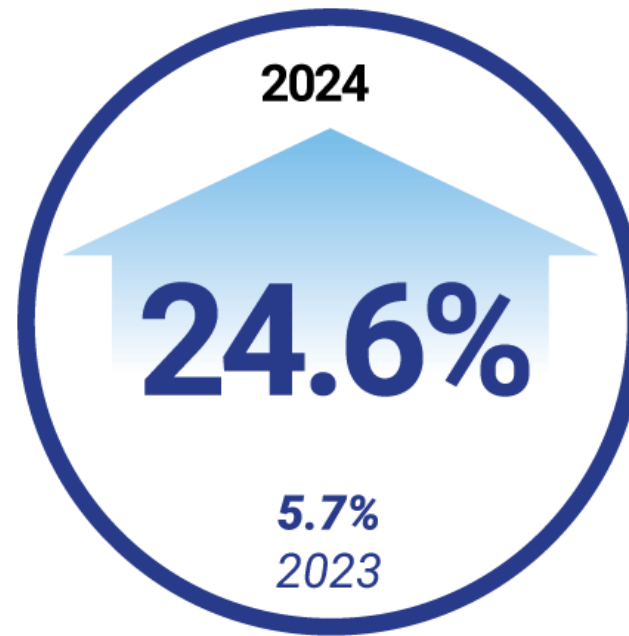
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The Investments Portfolio performed exceptionally in 2024, achieving a return of 24.6%

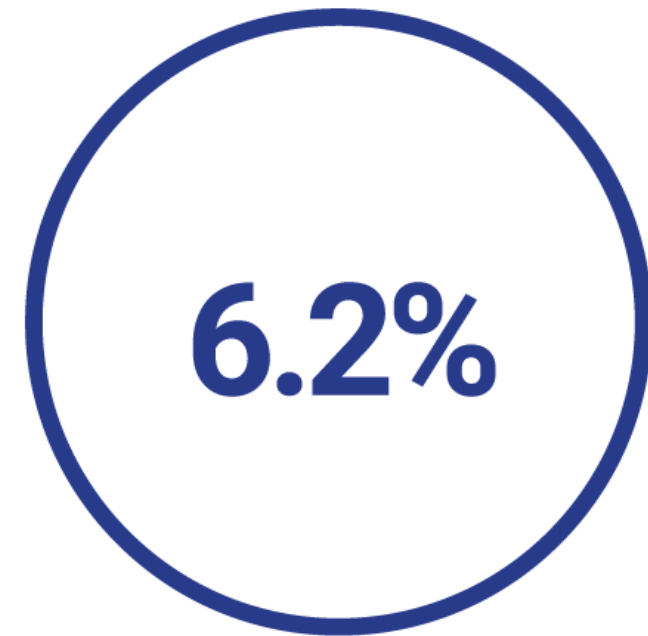
### Investments Portfolio RAV<sup>1</sup>



### 2024 NAV TWRR



### 6Y Rolling NAV TWRR (Long-Term Target: CPI + 3%)



<sup>1</sup>RAV includes Cash and Cash Equivalents, Other Current Assets, Other Current Liabilities and Bond Assets for the Investments Portfolio only



# The strong performance in 2024 was driven by public equities in Malaysia and developed markets, as Malaysia demonstrated robust growth

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Investments Portfolio by Asset Class	% of portfolio RAV <sup>1</sup>	6-Year Rolling RAV TWRR	2024	2023	2022	2021	2020	2019	Role of Asset Class
Public Markets: Malaysia	57.5%	6.5%	34.3%	4.5%	-4.2%	14.0%	-7.4%	3.2%	Exposure to domestic & global growth & liquidity
Public Markets: Global	17.4%	9.8%	10.9%	15.9%	-16.3%	1.6%	26.2%	27.5%	
Private Markets	16.5 %	3.7%	-6.6%	3.1%	8.8%	15.6%	-2.9%	6.0%	Higher expected long-term returns achieved through programmatic deployment
Real Assets	8.6%	8.1%	-3.5%	8.7%	23.5%	11.2%	0.1%	10.5%	Yield and diversifier to equities

<sup>1</sup>as of 31 Dec 2024





We recorded RM5.1b profit from operations and maintained a robust RAV cover of 3.2x

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**PROFIT FROM OPERATIONS**

**RM5.1b**

(2023: RM5.9b)

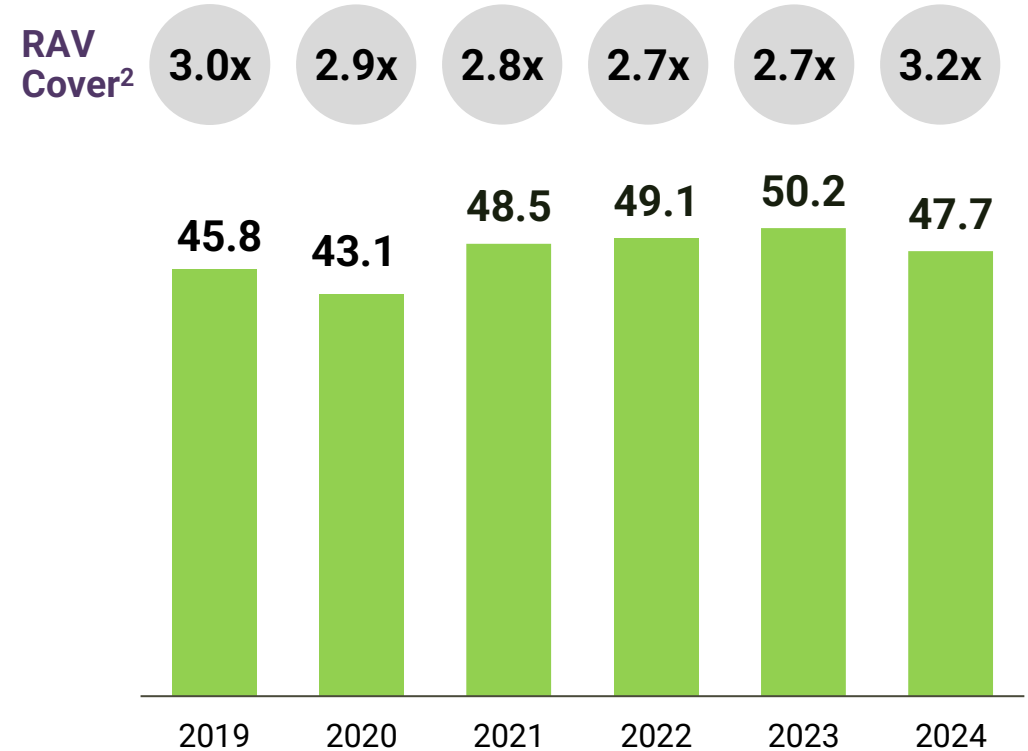
- Steady income from dividends
- Active & disciplined monetisation strategy capitalising on favourable market conditions
- Value gain from global public equities

**CONTRIBUTION TO GOVERNMENT**

RM m	2019	2020	2021	2022	2023	2024
Dividends	1,000	2,000	2,000	500	1,000	1,000
Tax Paid	50	80	227	133	38	122
Contribution to Government Request & Social Initiatives <sup>1</sup>	50	70	101	166	142	151

<sup>1</sup>K-Youth, MySTEP, COVID-19, Tabung Cerdik, Film in Malaysia Incentives

**DEBT (RM b)**



<sup>2</sup>RAV Cover = RAV / Debt  
Long term target level of 3.0x – 4.0x







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# In 2024, Malaysia's resilient economy marked by strong GDP and FDI growth drove gains in the FBM KLCI & strengthened the Ringgit despite global market volatility



**GDP growth**  
acceleration from  
3.6% to 5.2%<sup>1</sup>



**Exports**  
robust recovery  
+5.2% YoY<sup>1</sup>



**Tourist arrivals**  
+27.0% YoY<sup>1</sup>



**Approved FDI**  
RM255b total  
investments +10.7% YoY<sup>1</sup>



**FBM KLCI**  
+17.7% TSR  
end-24: 1,642



**Ringgit**  
+2.7% YoY vs. USD  
from 4.59 to 4.47

2024 figures are compared against 2023

Source: MoF, DOSM, MATRADE, Tourism Malaysia, MIDA, Bursa Malaysia, BNM

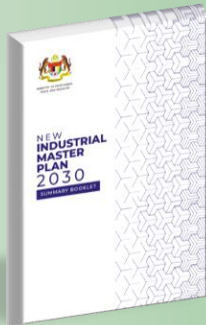
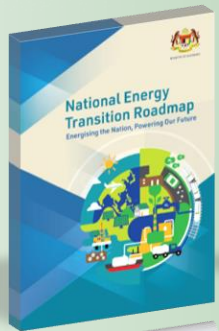
<sup>1</sup>YTD as of 30 Sep 2024

TSR: Total Shareholder Return



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# Malaysia's economy is poised to sustain its strong momentum into 2025, driven by the Ekonomi MADANI Framework, political stability and global megatrends



## Malaysia 'going up' the chip ladder as Infineon opens US\$7.7 billion plant

The Kulim semiconductor site, which is expected to create 4,000 jobs, highlights Malaysia's potential to attract tech investments

*(South China Morning Post, 8 Aug 2024)*



## Malaysia Stocks Flirt with Four-Year High on Global Money Return

*(Bloomberg, 29 Aug 2024)*



## Malaysia bags another cloud deal from U.S Big Tech with \$6.5 billion pledge from Oracle

*(Fortune, 2 Oct 2024)*



## Singapore, Malaysia sign agreement on Johor-Singapore Special Economic Zone; 20,000 jobs to be created

*(The Straits Times, 8 Jan 2025)*





# Khazanah is committed to nation-building through our A Nation That Creates framework, supporting Malaysia's strong economy

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## A Nation That Creates

### Transforming Firms



Catalyse VC Ecosystem



Level-up Mid-Tier Companies



Strengthen Semiconductor Ecosystem



Uplift MY Market Performance

### Energy Transition



Strengthen & modernise grid infrastructure



Accelerate Renewable Energy Capacity



Prioritise recycling & recovery

### Connectivity



Strengthen long-haul connections to boost MY's global connectivity



Privatisation for long-term sustainable growth & operational excellence



Restore & sustain national heritage

### Digitalisation

Core Enablers



Digital Tools



Digitalised Economy



Foundational Enablers



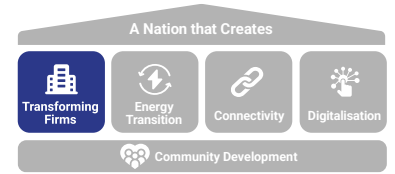
### Community Development





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# Transforming Firms: Play a key role across firms' life cycle as well as the the semiconductor industry via a programmatic approach



Increase Malaysia's **competitiveness** and **resilience** while delivering socio-economic impact to the rakyat



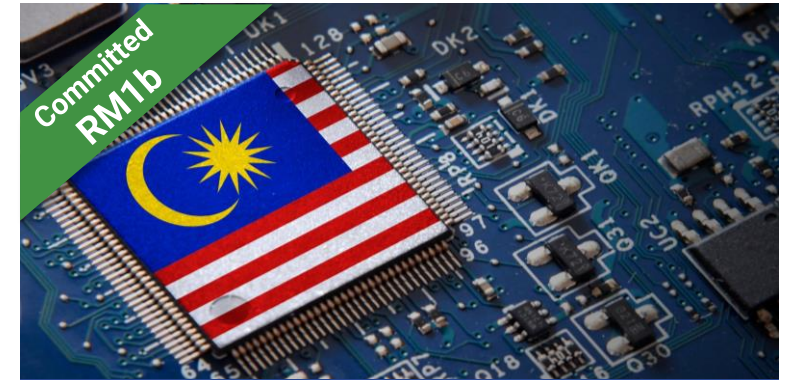
## Catalyse VC ecosystem

Established **Jelawang Capital** as National Fund-of-Funds to **boost growth** with Emerging Fund Managers' Programme & Regional Fund Managers' Initiative



## Level-up Mid-Tier Companies (MTC)

**MoU with Securities Commission Malaysia** to catalyse MTC's capital market access & rolled out MTC Growth Innovation Programme



## Strengthen Malaysia's position in semiconductor & advanced manufacturing

### Strategic investments

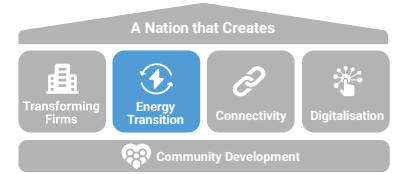
- Cambrian Fund to support local entrepreneurs and SMEs in IR4.0 technologies
- Syntiant Corp., an edge-AI company to boost R&D in AI, semiconductor & microphone technologies





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# Energy Transition: Khazanah pushes boundaries in driving energy transition and decarbonisation efforts for a sustainable future



## Grow Renewable Energy Capacity

## Accelerate Grid Modernisation



Acquired **51% stake** in NUR Power to **spearhead industrial decarbonisation efforts**



Development of **500 MW large-scale solar farm in Baram, Sarawak** in partnership Planet QEOS



Signed **Head of Terms** with Bridge Data Centres for the supply of 400 MW under **CRESS<sup>1</sup>**



Accelerate **grid investment** to cater to growing power demand, cross-border power trade & Renewable Energy integration



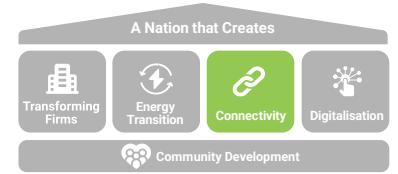
<sup>1</sup>Corporate Renewable Energy Supply Scheme (CRESS)





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# Connectivity: Malaysia Airlines' operations have improved and synergise well with the upcoming improvements to our airport infrastructure



**Operational excellence reliability** by strengthening network, talent development and elevating customer experience

1

## On time Performance (OTP)

Improved to

**77%\***

in December 2024

from **57%** in August 2024

2

## Network Expansion

Launched

**9 new destinations**

over the last 15 months, including

**Paris and Maldives**



3

## Product Improvement

**Fleet Revitalisation**

Upgraded the passenger layout of Boeing 738 NG aircraft & introduced new Boeing 737-8 & Airbus A330neo aircrafts

**Improved Catering**

Introduced Best of Asia & Festive Menu



4

## Striving for better customer experience

2024



**#39**  
Globally

2030



**≤ #10**  
Globally

**≤ #5**  
Asia Pacific

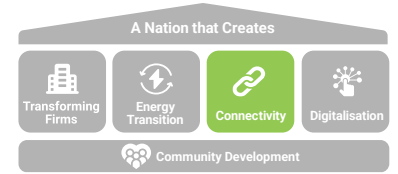


Note: Top 3 OTP performance by Asia Pacific Airlines as per Cirium (Dec 2024): Hainan Airlines 90.2%; Cathay Pacific 77.5%; ANA 75.5%  
\*based on a reduced network



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# Connectivity: Privatisation of MAHB to boost Malaysia's attractiveness as a destination for trade & tourism



## A world-class airport operator for sustainable growth, operational excellence & infrastructure advancements



### Elevate passenger experience

#### **Smoother passenger flow**

Reallocating arrival halls, optimising layouts

#### **Technology-Driven Efficiency**

E-gates, early check-in, auto bag drops

#### **Upgraded Passenger Amenities**

Lounge enhancement, clearer wayfinding & decluttered signage



### Strengthen connectivity

#### **Expand International & Regional Connectivity**

Targeted airline partnerships

#### **Strategic Route Development**

Customised network planning for key markets



### Accelerate capital investment

#### **Repair and Maintain Infrastructure**

Aero train replacement, baggage handling system upgrade

#### **Expand and Optimise Airport Capacity**

Malaysia (Penang, Ipoh & Kota Kinabalu)

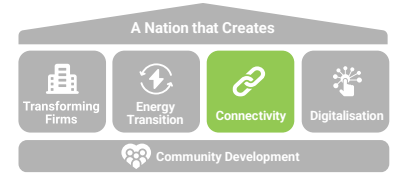




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# Connectivity:

## We drive impact by revitalising key heritage buildings as part of the KLCCD to strengthen Malaysia's cultural identity



### National Heritage Fund (NHF)

Established the NHF to redevelop heritage assets with private sector participation

#### Bangunan Sultan Abdul Samad

**Arts, Cultural & Heritage Hub**  
Revitalisation focused on culture, creativity and community inclusion



#### Carcosa Seri Negara

**Gallery & Eco-sanctuary Hotel**  
An inclusive development featuring a world-class gallery and Eco-Sanctuary Hotel



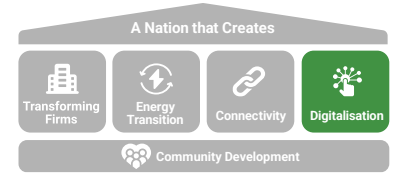
\* Pictures shown are artist illustrations only  
KLCCD: Kuala Lumpur Creative & Cultural District



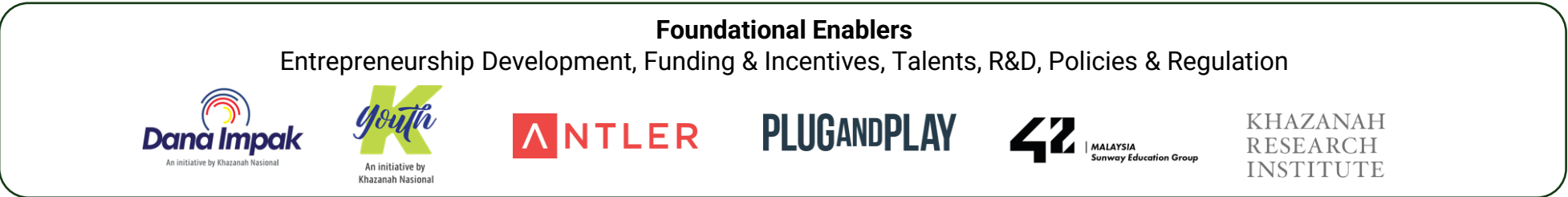


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# Digitalisation: Khazanah to focus on fostering innovation in the digital space to assist in raising national productivity



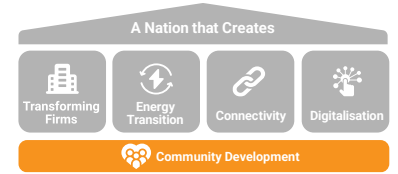
## Boost innovation across key digitalisation pillars





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# Community Development: We continue to deliver societal value for a more inclusive Malaysia by building capacity and vibrant communities



1994-2024  
30 YEARS  
#Berbudi Bersama

Across **5** States

Collaborated with **322** vendor & partners<sup>1</sup>

Attended by **>12,000** visitors

YAYASAN HASANAH  
A foundation of Khazanah Nasional

**RM86m** disbursed for **207 impact-based projects** across art & public spaces, community development, education, environment, and knowledge

TAMAN TUGU MALAYSIA

Vibrant green space in the heart of KL, welcoming **>1.3 million visitors** since 2018

youth  
An initiative by Khazanah Nasional

Trained **8,222** youths (76% from the B40 group) in key industries<sup>2</sup>

KHAZANAH RESEARCH INSTITUTE

Led **policy recommendations** in 15 papers on climate change, inequality & finance

thinkCITY

Collaboration with key entities & partners to realise the **KLCCD & George Town Transformation Programme**



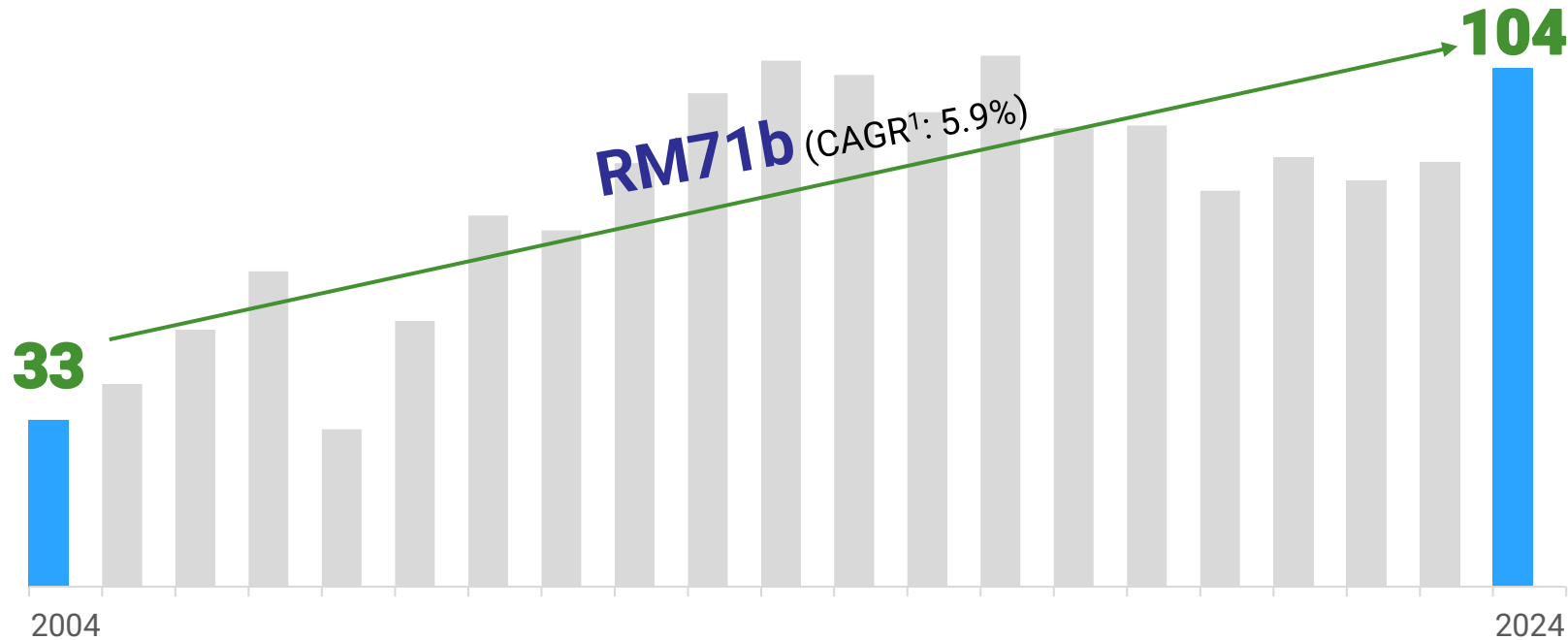
<sup>1</sup>SMEs, local partners, KLCs, affiliated entities, investee companies  
<sup>2</sup>MRO, Aviation, Hospitality & Services, Machinery & Equipment Specialist certification, and Digital & Technology.



# Khazanah remains committed in fulfilling its mandate to deliver sustainable returns to the nation and growing Malaysia's long-term wealth

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## Overall Khazanah Portfolio NAV Growth (RM b)



<sup>1</sup> Compounded Annual Growth Rate

**RM19.1b**  
Cumulative Dividends  
paid to the Government  
of Malaysia

**RM90.1b**  
Cumulative Shareholder  
Return



# 2025 MOVING FORWARD





# Looking ahead, global megatrends are expected to continue shaping the medium-term global environment, with their impacts already evident

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## Long Term: Global Megatrends

### Demographics



Global working-age population has peaked

### Deglobalisation



Increasing political and economic fragmentation

### Climate Change



Long-term shifts in global weather patterns

### Artificial Intelligence



AI transforming industries and productivity

## Short & Medium Term: Global Macro & Markets in 2025



Focus on economic / tech security



Fewer rate cuts due to inflation (higher for longer)



Higher government spending



Rising geopolitical tensions, trade fragmentation



Higher volatility across asset classes



Volatile commodity / lower energy prices





# We will continue building a resilient portfolio with strong governance to create value and deliver societal impact towards advancing Malaysia

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## Disciplined investment approach anchored on robust processes and commitment to high governance standards

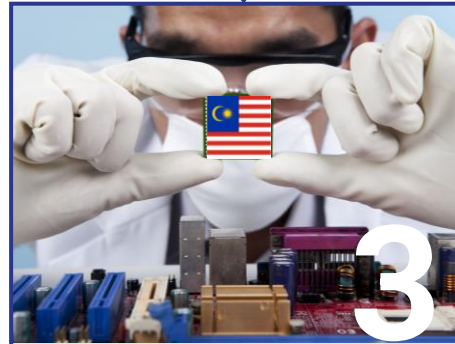


Drive **value creation** for **Malaysia**

Grow firms and advance energy transition, digitalisation & connectivity



Diversify and strengthen **global portfolio** for resilience to global megatrends



Execute **Dana Impact** projects with focus on transforming firms



Accelerate decarbonisation and **sustainable growth**



**Deliver societal value** through Building Capacity and Vibrant Communities





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# THANK YOU



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