



MEDIA RELEASE

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HICOM AUTOMOTIVE LAUNCHES NEW PAINT SHOP

Latest facility poised to increase annual productivity

Pekan, 17 July 2017 – HICOM Automotive Manufacturers (Malaysia) Sdn Bhd (HA), a fully-owned subsidiary of DRB-HICOM Berhad (DRB-HICOM or the Group) today launched its high-tech paint shop as part of the company's effort to strengthen its foothold as one of the preferred automotive assemblers in the region.

The paint shop was launched in conjunction with the Aidilfitri celebration which was attended by YAB Dato' Sri Diraja Haji Adnan Haji Yaakob, the Menteri Besar of Pahang. YAB Dato' Sri Diraja Haji Adnan was also shown an operations video of the latest facility during the event.

HA, which has been operating in Pekan for the last 30 years has successfully assembled close to 500,000 passenger and commercial vehicles from 20 international marques which include the C class, E class, S class and GLC class, FUSO and MB Actros under the Mercedes-Benz banner.

"The establishment of this high-tech paint facility will enhance our standing as one of the region's most preferred component assemblers in the automotive industry", said Dato' Seri Syed Faisal Albar, the Group Managing Director of DRB-HICOM.

The facility will allow HA to increase its production capacity from 25,000 units to 50,000 units annually. This is attributed to the paint shops' ability to operate around the clock due to its cutting edge technology that requires minimal human intervention.

"The new paint shop features a robotic paint system for the primer and top coating application; the feature that has allowed us to decrease production time by as much as 50% percent, compared to the manual application method previously employed", said Ismail Pandak, CEO of HA.

The paint shop also includes a 360-degree rotating Pre-treatment Electro Dipping (PTED) shuttle bay allows the body-in-white to be fully submerged in the coating bath. This ensures a more efficient surface-material contact and minimises paint wastage, which is a typical problem faced by the traditional vertical dipping process.

Syed Faisal said in his speech that the latest facility was part of the Group's commitment to ensure the company's readiness to face the Industry 4.0 evolution. Industry 4.0 has seen the development of "smart factories" around the world, as industry players innovate and improve their business processes to minimise cost without compromising development of the human capital.

"Industry 4.0 requires us to develop a knowledge-based economy in our efforts to become a high-income nation. By increasing the technology involved in the production line, we are encouraging Warga DRB-HICOM to increase their technical knowledge and ensuring their skills are at par with their international counterparts", he added.

He also said that the consistent improvements at the plant demonstrates DRB-HICOM's commitment to work together with the state government to ensure a sustainable socio-economic development for the state of Pahang.

The Menteri Besar joined hundreds of HA employees in a simple Aidilfitri lunch after the event. Also present were other senior management members of DRB-HICOM and HA.

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About DRB-HICOM Berhad

DRB-HICOM Berhad ("DRB-HICOM") is one of Malaysia's leading conglomerates with core businesses in the Automotive and Defence; Services; and Property, Asset & Construction sectors. With more than 80 active companies in its stable of an estimated 60,000 employees group-wide, DRB-HICOM's aim is to continue adding value and propelling the nation's development. In the Automotive and Defence sector, DRB-HICOM is involved in the manufacturing, assembly and distribution of passenger and commercial vehicles, including composites component supply for aircrafts. In Services, DRB-HICOM is involved in various businesses, including concession and financial-related services. In Property, Asset & Construction, DRB-HICOM is involved in residential and commercial developments.

About Hicom Automotive Manufacturers (M) Sdn Bhd

HICOM Automotive Manufacturers (Malaysia) Sdn Bhd, is an assembler of continental automotive marques and commercial vehicles. The automotive assembly plant occupies 145 acres in land size in Pekan, Pahang, and it has been gazetted as a National Automotive Hub in Malaysia.

HA has so far assembled more than 20 models, including renowned marques such as Mercedes-Benz, Suzuki, Volkswagen, PROTON, TATA, WESTSTAR, SsangYong and Commercial Vehicles (FUSO and Actros)

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