

**DRB-HICOM BERHAD (“DRB-HICOM” OR “THE COMPANY”)
 TWENTY-SEVENTH ANNUAL GENERAL MEETING (“27TH AGM”) HELD ON 30 AUGUST 2017**

Attendance of Directors

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| 1) | YBhg Brig. Gen. (K) Tan Sri Dato’ Sri (Dr) Haji Mohd Khamil bin Jamil | - | Chairman |
| 2) | YBhg Dato’ Sri Syed Faisal Albar bin Syed A.R Albar | - | Group Managing Director |
| 3) | YBhg Dato’ Siti Fatimah binti Daud | - | Director |
| 4) | YBhg Dato’ Ibrahim bin Taib | - | Director |
| 5) | YBhg Datuk Ooi Teik Huat | - | Director |
| 6) | YBhg Datuk Idris bin Abdullah | - | Director |

The summary of key matters discussed at the 27th AGM

	Key Matters Discussed	Response from the Directors/Management
1.	Details of the impairment loss and write off of project development expenditure in respect of certain motor vehicle model/discontinued project.	A major portion of the write-off of the project development expenditure was in respect of PROTON’s engine Neo programme. Proton had at that time estimated a certain number of units to be sold and amortised it accordingly. However, the estimated volume did not materialise and hence, the Company has to write off the project development expenses.

	Key Matters Discussed	Response from the Directors/Management
2.	Whether the Board is confident of turning around the performance of the Company and pay better dividends to the shareholders, going forward.	The Group showed better financial results without PROTON Holdings Berhad ("PROTON") at at 31 March 2017. With the assistance from the new Foreign Strategic Partner ("FSP") and the soft loan as well as research & development grant from the Government, PROTON would be able to improve its performance, moving forward.
3.	<p>a. The actions to be undertaken by the Management to improve the Company's revenue and pay higher dividends to the shareholders.</p> <p>b. The proposed selling price for Boyue SUV model in Malaysia.</p>	<p>The domestic car market in Malaysia is saturated and with the PROTON Geely collaboration, the Company will be looking at the international market to complement the declining domestic car market so as to improve the performance of the Group.</p> <p>The Boyue SUV model is in the same segment as Honda CRV and the price of the Boyue SUV model will depend on the contents to be localised. The Management of PROTON is looking at fixing the price not more than RM100,000 per unit. The Boyue SUV model is selling at RM67,000 equivalent in the China market.</p>
4.	The Company's vision for the next 2 years.	The Company will be focusing on turning around PROTON in the next few years. The Company is bullish on the aerospace industry and waste management businesses such as the industrial, electronic and clinical waste management businesses and is considering expanding the Group's business in these sectors.

	Key Matters Discussed	Response from the Directors/Management
5.	The impairment made by PROTON on the unsold/discontinued PROTON car models and whether the same will apply to future unsold products.	<p>It is a common practice for automotive manufacturing companies to project car sales volume for a period of 2 to 3 years and make impairment for the unsold stock in its books.</p> <p>The Management of PROTON will try to study the market before developing new models to avoid incurring significant impairment and hopefully with the collaboration with Geely, the impairment issue will be addressed appropriately.</p>
6.	PROTON's previous investment in converting the right-hand drive car model to left-hand drive and the returns from the said investment.	PROTON had previously invested in the left-hand drive market by converting the PROTON Preve model from right-hand drive to left-hand drive for export to Chile. Only one batch of Preve left-hand drive model was exported to Chile and PROTON subsequently discontinued further export due to poor sales in Chile.
7.	The Group's direction, going forward.	For years, the Company has focused on the Automotive Sector and to avoid being overly dependent on the Automotive Sector especially during the economic slowdown, the Company had ventured into the Service Sector by acquiring Pos Malaysia Berhad and Pos Logistics Berhad (formerly known as Konsortium Logistik Berhad) which are involved in the provision of postal and courier services as well as warehousing, logistics and last mile delivery services. The Company had also expanded its business to the aerospace industry.

	Key Matters Discussed	Response from the Directors/Management
8.	The actions taken by PROTON to improve its After Sales Service and to create more skilled workers to service and repair PROTON cars.	The following actions had been taken by PROTON to improve its After Sales Service:- a) To increase the number of service hours for selected After Sales Service Centres for the convenience of the PROTON car owners. There are currently around thirty (30) After-Sales Service Centres that are operating 7 days a week. b) To improve the booking of appointment time for PROTON car service and repairs at various PROTON servicing centres via MyProton apps on mobile devices. c) To work closely with Akademi Saga to enhance the capabilities of PROTON's technicians through an apprentice programme and experts are sent to train the technicians at the various service centres nationwide.