



MEDIA RELEASE

FOR IMMEDIATE RELEASE

DRB-HICOM NETS RM472.5 MILLION PBT FOR FY2019 AS REVENUE RISES 17% Y-O-Y

SHAH ALAM, Friday 28 February 2020 – For the full financial year (nine month period) ended 31 December 2019, DRB-HICOM Berhad (“DRB-HICOM”, “the Group”) has posted a profit before tax (“PBT”) of RM472.5 million, reversing a loss before tax of RM46.9 million in the same period a year ago. The full year net profit for the Group was RM359.0 million.

The profit was driven by the Group’s revenue for the nine month period, which came in at RM10.5 billion. That is a 16.9% increase in revenue compared to the same period a year ago. Meanwhile, revenue for the three month period to 31 December 2019 was RM3.50 billion, while net profit was RM272.68 million.

In 2019, DRB-HICOM announced a change of their financial year end from March to December in an effort to be aligned with the national budgeting year.

OVERALL REVIEW

Once again, the Group’s Automotive Sector led the growth, with a contribution of RM7.0 billion, a rise of RM1.8 billion from a year ago. This is in line with the renewed popularity of national carmaker PROTON which sold 100,821 units in the year under review. In 2019, PROTON launched four facelifted models namely the Iriz hatch, the Exora MPV, as well as the Persona and Saga sedans. The period also saw their first ever SUV, the X70 emerging as the best-selling SUV in Malaysia, with more than 29,000 units of the vehicle finding new homes. The iconic Saga was the best-selling model for the carmaker, with 38,144 units registered in the period.

Other marques in the DRB-HICOM stable also launched a slew of models in the 2019. Audi launched the Q8 luxury SUV, and national motorcycle company MODENAS launched the budget-conscious KRISS 110 and the Pulsar NS160 in the two-wheeler market. Brands such as Mitsubishi and Honda also launched special variants to several of their models in the period.

In the Services Sector, revenue slipped by RM161.5m in the nine months, compared to the same period a year ago to RM3.20 billion. This revenue reflects the lower contribution from Pos Malaysia Berhad (“Pos Malaysia”) and Bank Muamalat Malaysia Berhad, and also takes into account the de-consolidation of Alam Flora Sdn Bhd’s results from the Group in November 2019. The waste management company was disposed to Malakoff Corporation Berhad in the year under review.

Following the completion and handover of the Kompleks Imigresen, Kastam, Kuarantin dan Keselamatan (“ICQS”) in Bukit Kayu Hitam within the financial year under review, revenue from the Properties Sector also reduced. The sector contributed RM290.9 million in the current period.

PROSPECTS FOR 2020

Against the backdrop of a challenging landscape in 2020, DRB-HICOM remains positive on the outlook for the Group.

The Group’s Automotive Sector will remain the largest contributor to revenue, and launches of new models by various marques in the Group in 2020 should sustain the momentum. Honda has just launched their D-segment model, the all-new 10th generation Accord for Malaysia, while Volkswagen launched their Passat Elegance in the same segment earlier this month. The German marque is also nearing a launch of a new model in Malaysia, the Arteon, later in the year, while PROTON plans to launch another model, a more compact SUV code-named the SX-11 also in the current financial year.

Following Government’s approval, Pos Malaysia has implemented the new tariff for commercial postage and international businesses. As part of its transformation agenda to improve service efficiency and customer experience, Pos Malaysia Group will continue to

invest in digitalisation and e-commerce infrastructure to take advantage of the booming digital economy. This includes an upgraded track and trace system that is expected to be operational by mid-2020. These initiatives will help elevate the Pos Malaysia customer experience, and hence improve the company's financial performance.

The Group's other businesses in defence, aerospace, banking, services and property segments will continue to strengthen their business position amid stiff competition while maintaining prudence in operating cost.

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ABOUT DRB-HICOM BERHAD

www.drb-hicom.com

DRB-HICOM Berhad ("DRB-HICOM") is one of Malaysia's leading conglomerates with core businesses in the Automotive, Services, and Property sectors. With more than 90 active companies in its stable and an over 55,000 employees group-wide, DRB-HICOM's aim is to continue adding value and propelling the nation's development. In the Automotive sector, DRB-HICOM is involved in the manufacturing, assembly and distribution of passenger and commercial vehicles, including the national motorcycle. In Services, DRB-HICOM is involved in various businesses, including concession and financial-related services. In Property DRB-HICOM is involved in the development of industrial properties.

FORWARD-LOOKING DISCLOSURES

All statements herein, other than historical facts, contain forward-looking statements and are based on DRB-HICOM's current forecasts, expectations, targets, plans, and evaluations. Any forecasted value is calculated or obtained based on certain assumptions. Forward-looking statements involve inherent risks and uncertainties.

A number of significant factors could therefore cause actual results to differ from those contained in any forward-looking statement. Significant risk factors include:

- *Feasibility of each target and initiative as laid out in this news release;*
- *Fluctuations in interest rates, exchange rates and oil prices;*
- *Changes in laws, regulations and government policies; and*
- *Regional and / or global socio economic changes.*

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For further information, please contact:

**Mahmood Abd Razak
Head, Group Strategic Communications Division
DRB-HICOM Berhad
Tel: 03-20528007**