

The logo for DRB-HICOM, featuring the company name in white uppercase letters inside a black rectangular box with a thin red and blue border.

DRB-HICOM

3QFY2020 Financial Results

Quarter Ended 30 September 2020

Disclaimer

This presentation is not and does not constitute an offer, invitation, solicitation or recommendation to subscribe for, or purchase, any securities and neither this presentation nor anything contained in it shall form the basis of, or be relied on in connection with any contract or commitment or investment decision.

This presentation has been prepared solely for use at this presentation. By your continued attendance at this presentation, you are deemed to have agreed and confirmed to DRB-HICOM Berhad (the “Company”) that: (a) you agree not to trade in any securities of the Company or its respective affiliates until the public disclosure of the information contained herein; and (b) you agree to maintain absolute confidentiality regarding the information disclosed in this presentation until the public disclosure of such information, or unless you have been otherwise notified by the Company.

Reliance should not be placed on the information or opinions contained in this presentation or on its completeness. This presentation does not take into consideration the investment objectives, financial situation or particular needs of any particular investor.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. None of the Company and its affiliates and related bodies corporate, and their respective officers, directors, employees and agents disclaim any liability (including, without limitation, any liability arising from fault or negligence) for any loss arising from any use of this presentation or its contents or otherwise arising in connection with it.

This presentation contains projections and “forward-looking statements” relating to the Company’s business and the sectors in which the Company operates. These forward-looking statements include statements relating to the Company’s performance. These statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. It is important to note that actual results could differ materially from those anticipated in these forward looking statements. The Company does not undertake to inform you of any matters or information which may come to light or be brought to the Company’s attention after the date hereof.

The forecasts and other forward-looking statements set out in this presentation are based on a number of estimates and assumptions that are subject to business, economic and competitive uncertainties and contingencies, with respect to future business decisions, which are subject to change and in many cases outside the control of the Company. The directors and officers of the Company believe that they have prepared the forecasts with due care and attention and consider all best estimates and assumptions when taken as a whole to be reasonable at the time of preparing the presentation. However, the Company’s forecasts presented in this presentation may vary from actual financial results, and these variations may be material and, accordingly, neither the Company nor its directors or officers can give any assurance that the forecast performance in the forecasts or any forward-looking statement contained in this presentation will be achieved. Details of the forecasts and the assumptions on which they are based are set out in the presentation.

This presentation may not be copied or otherwise reproduced without the written consent of DRB-HICOM Berhad.

Notice of Change in Financial Year End

Due to the change in the financial year end from 31 March to 31 December, the current financial quarter/period ended 30 September 2020, being the third quarter of the financial year ending 31 December 2020 is not comparable with the third quarter of the previous financial period ended 31 December 2019.

Key Highlights

For Financial Performance 3Q 2020

Revenue



RM 3,563.7 million

Profit Before Tax



RM 142.4 million

Total Assets



RM 42.9 billion

Automotive Market Share



35%

January – September 2020

DRB-HICOM : 120,047 units

Malaysia TIV : 341,489 units

Share Price



RM2.09

as at 30 September 2020

Net Assets per Share



RM 3.39

Shareholders' equity : 66,544.2 million

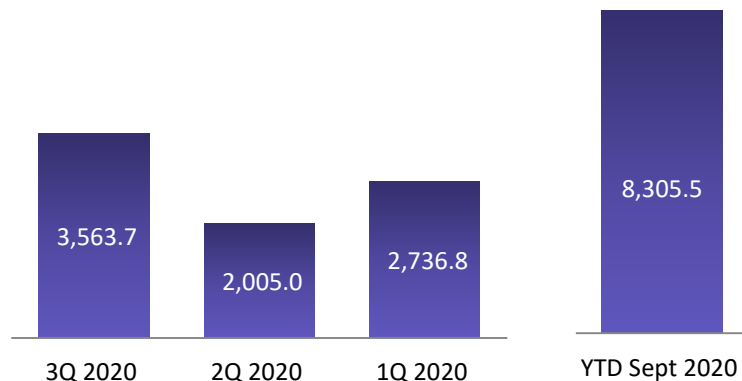
Ordinary shares : 1,933.2 million

Revenue

For the Financial Period Ended 30 September 2020

Group Revenue

(RM million)



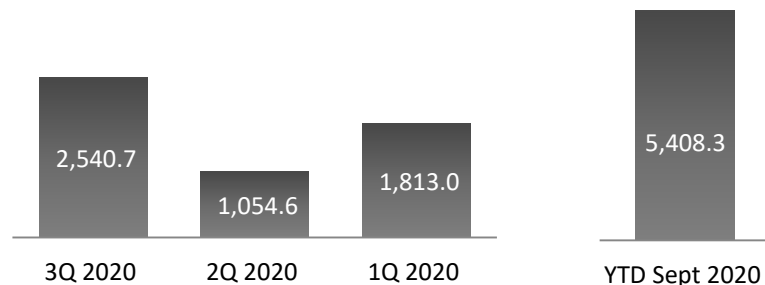
➤ The Group achieved a higher revenue of RM3.56 billion in the 3Q 2020 as revenue across all business sectors have gradually improved due to the reopening of economic activities and recovery efforts by Group's businesses:

- ❖ Automotive – higher sales of vehicles by all marques within the Group (i.e PROTON, Honda, Mitsubishi and Isuzu) boost the overall performance in the third quarter
- ❖ Services – improved performance from postal & logistics and banking sector contributed to the increase in revenue
- ❖ Properties – mainly derived from construction related projects with higher percentage of completion in the current quarter

Group Revenue Breakdown by Sector

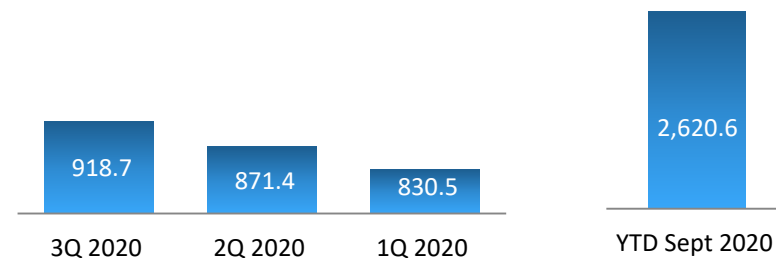
(RM million)

Automotive



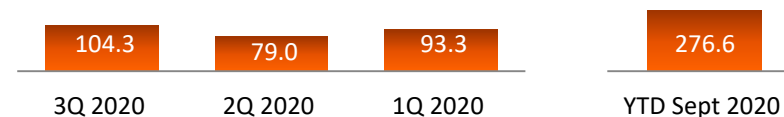
(RM million)

Services



(RM million)

Properties

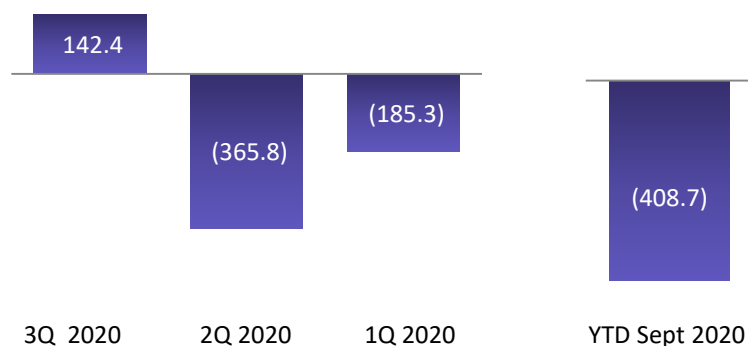


(Loss) / Profit Before Tax

For the Financial Period Ended 30 September 2020

Group Profitability

(RM million)



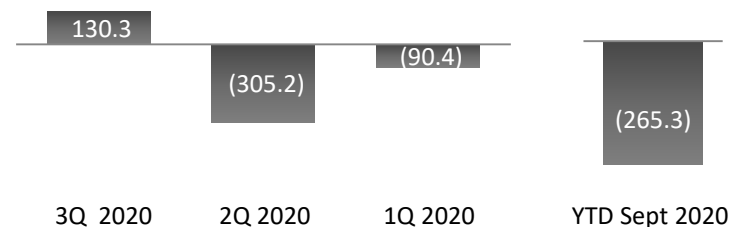
The Group registered a pre-tax profit of RM142.4 million for the current quarter ended 30 September 2020 largely contributed by:

- ❖ Improved financial results from companies across all sectors
- ❖ Higher share of results from joint ventures and associated companies

Group Profitability Breakdown by Sector

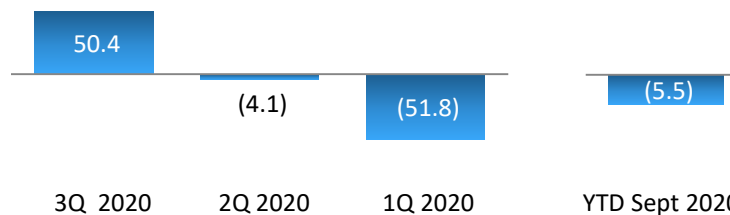
(RM million)

Automotive



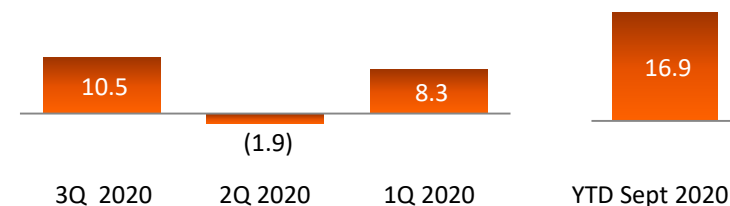
(RM million)

Services



(RM million)

Properties



Total PBT/(LBT) include Investment Holding as below:

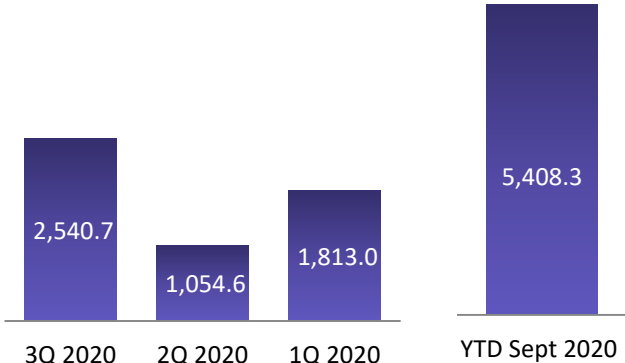
(RM million)	3Q 2020	2Q 2020	1Q 2020	YTD Sept 2020
Investment Holding	(48.8)	(54.6)	(51.4)	(154.8)

Operational Highlights

Automotive

Revenue

(RM million)

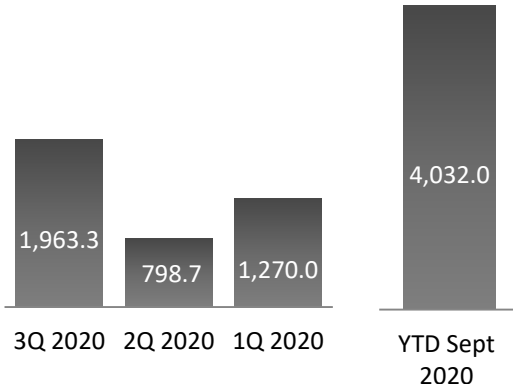


- The introduction of sales tax holiday by the Government had contributed positively to overall vehicle sales with 54,556 units sold in the third quarter compared to 23,660 units in the previous quarter 2020.
- Higher percentage completion of AV8 contributed to the overall improvement in the Defence & Aerospace segment.
- Positive sales momentum is expected to continue in the coming quarter following the sales tax holiday ending on 31 December 2020.

Revenue Breakdown by Sector

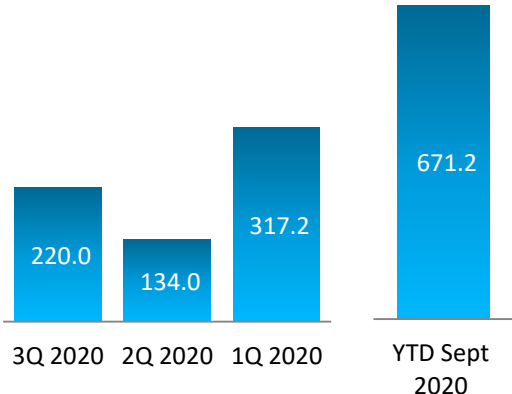
PROTON

(RM million)



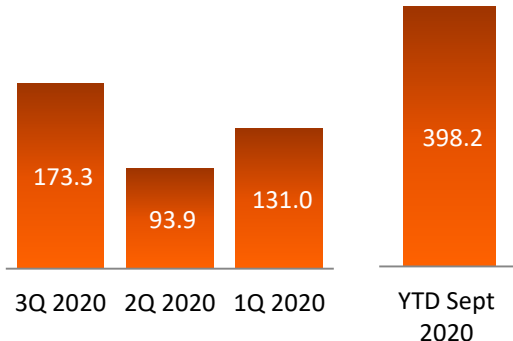
Defence & Aerospace

(RM million)



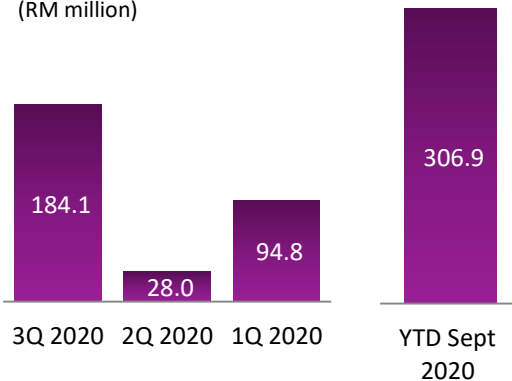
Automotive Distribution ("AD")

(RM million)



Automotive Component ("AC")

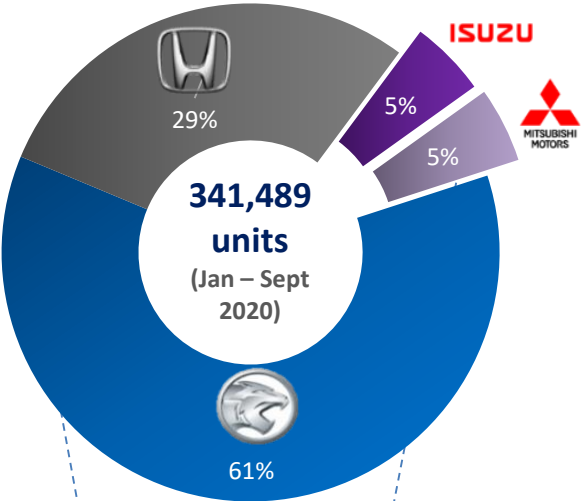
(RM million)



PROTON's Positive Sales Momentum Continue

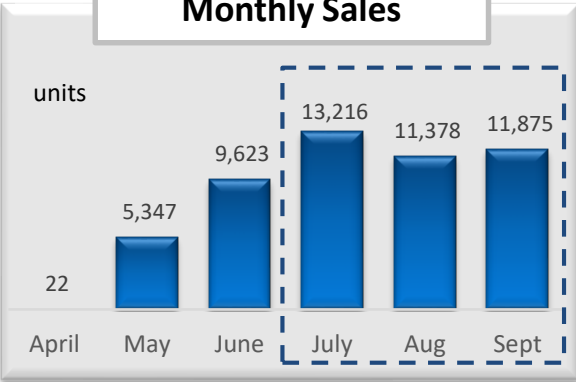
Strong second half performance for Automotive industry

DRB-HICOM Market Share : 35%



341,489 units
(Jan – Sept 2020)

Monthly Sales



Source : MAA



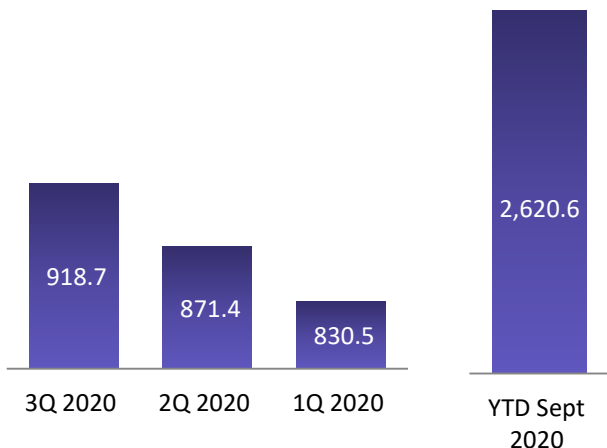
- PROTON sales performance continue its upward trajectory growth with 36,469 units sold in 3Q 2020 compared to 14,992 units sold in the previous quarter.
- Market share improved to 22% in the nine months of September 2020 against 16% in the same period last year.
- The launch of PROTON X50 on 27 October 2020 had received a phenomenal response from the market with more than 27,000 bookings secured to-date
- PROTON is confident in sustaining its sales volume, leveraging on the on-going sales tax exemption for passenger vehicle and new highly-sought launch of X50 which will boost sales further

Operational Highlights

Services

Revenue

(RM million)

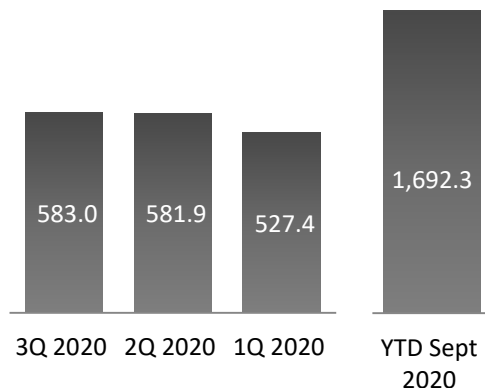


- High demand from e-Commerce and online marketplace, together with postage rates revision brings positive impact to the Postal & Logistics segment.
- Increased revenue from banking, concession and education segment lifted the overall performance of Services sector.

Revenue Breakdown by Sector

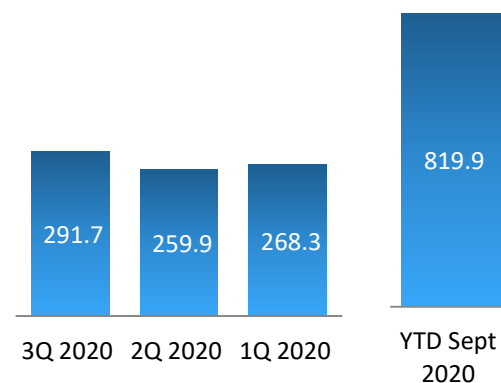
Postal & Logistics

(RM million)



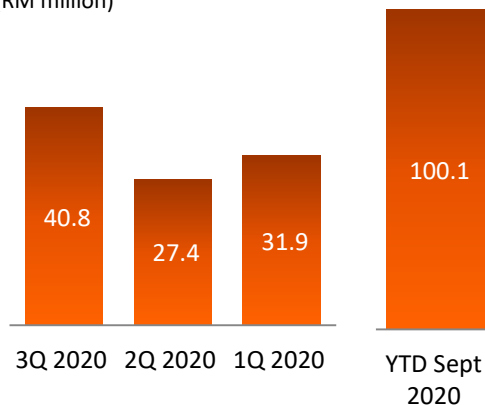
Banking

(RM million)



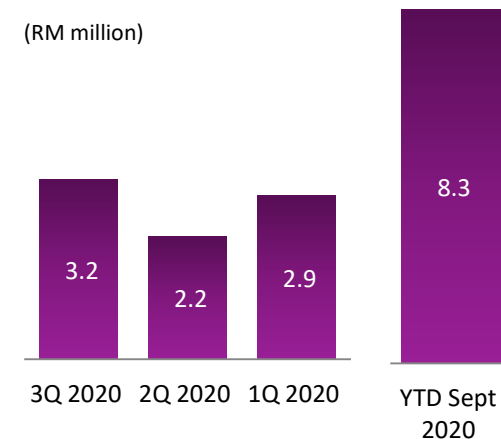
Concession

(RM million)



Education

(RM million)

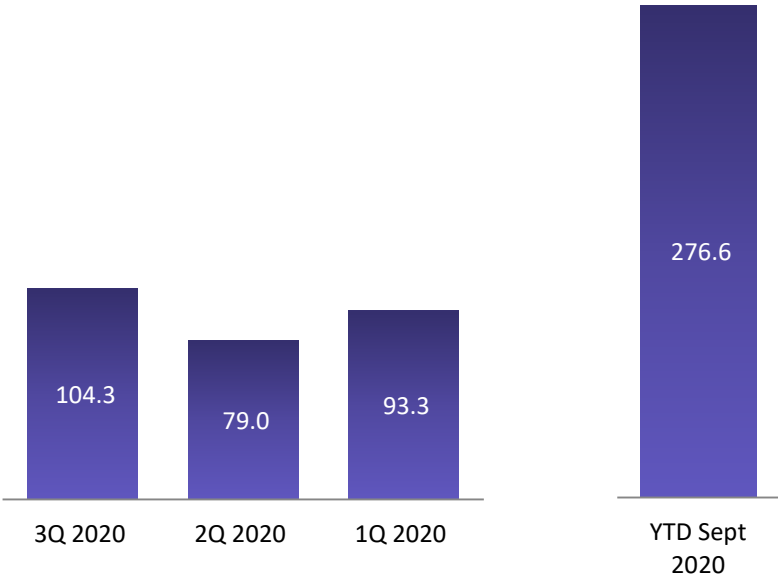


Operational Highlights

Properties

Revenue

(RM million)



- Improved revenue for Properties sector is mainly derived from construction related projects (i.e. Media City Development) with higher percentage of completion due to reopening of business activities in the current quarter.



Northern Gateway Infrastructure Sdn Bhd

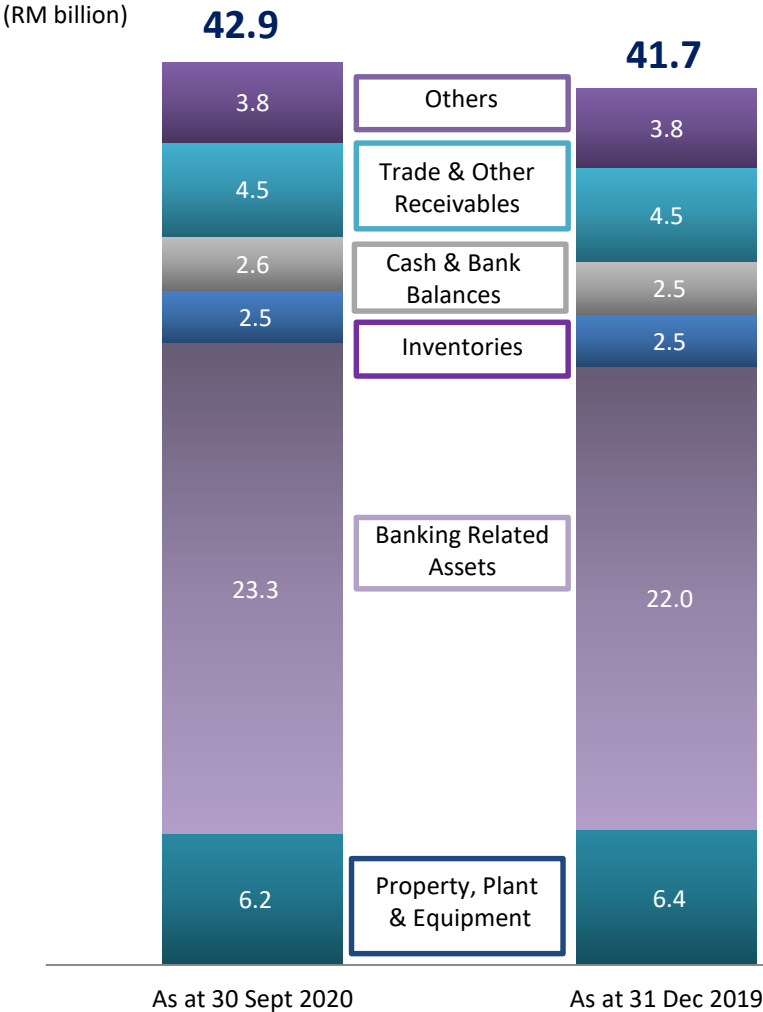


Media City Development Sdn Bhd

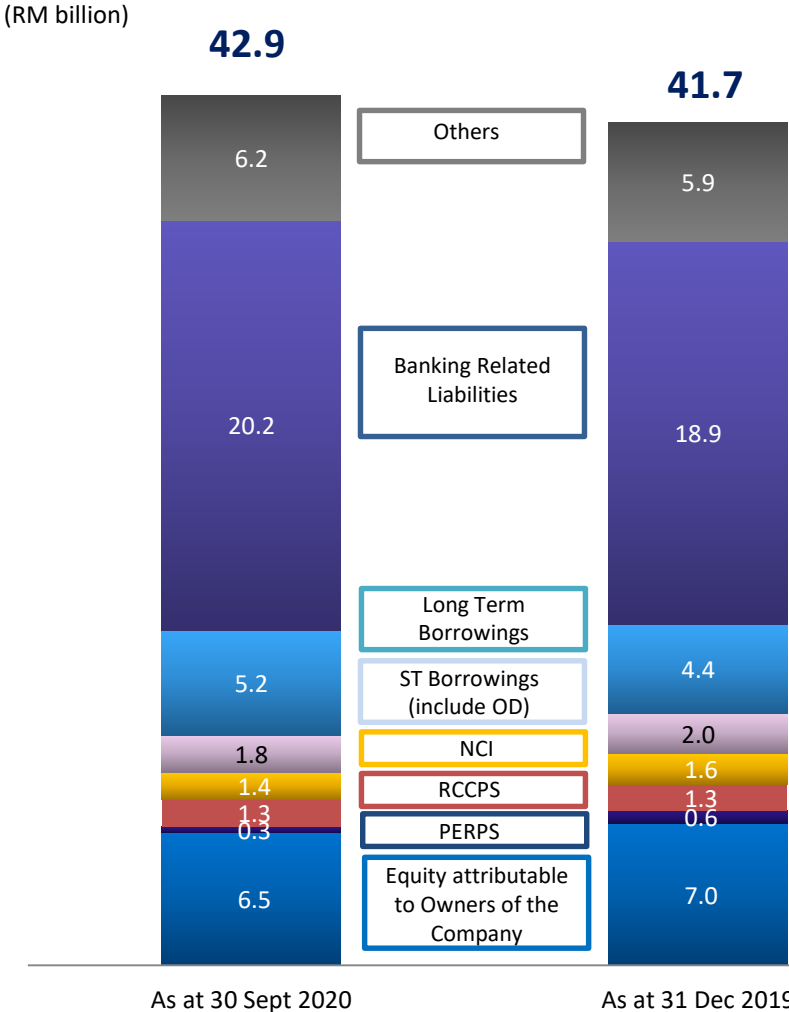
Balance Sheet Management

As at 30 September 2020

Total Assets



Total Equity & Liabilities

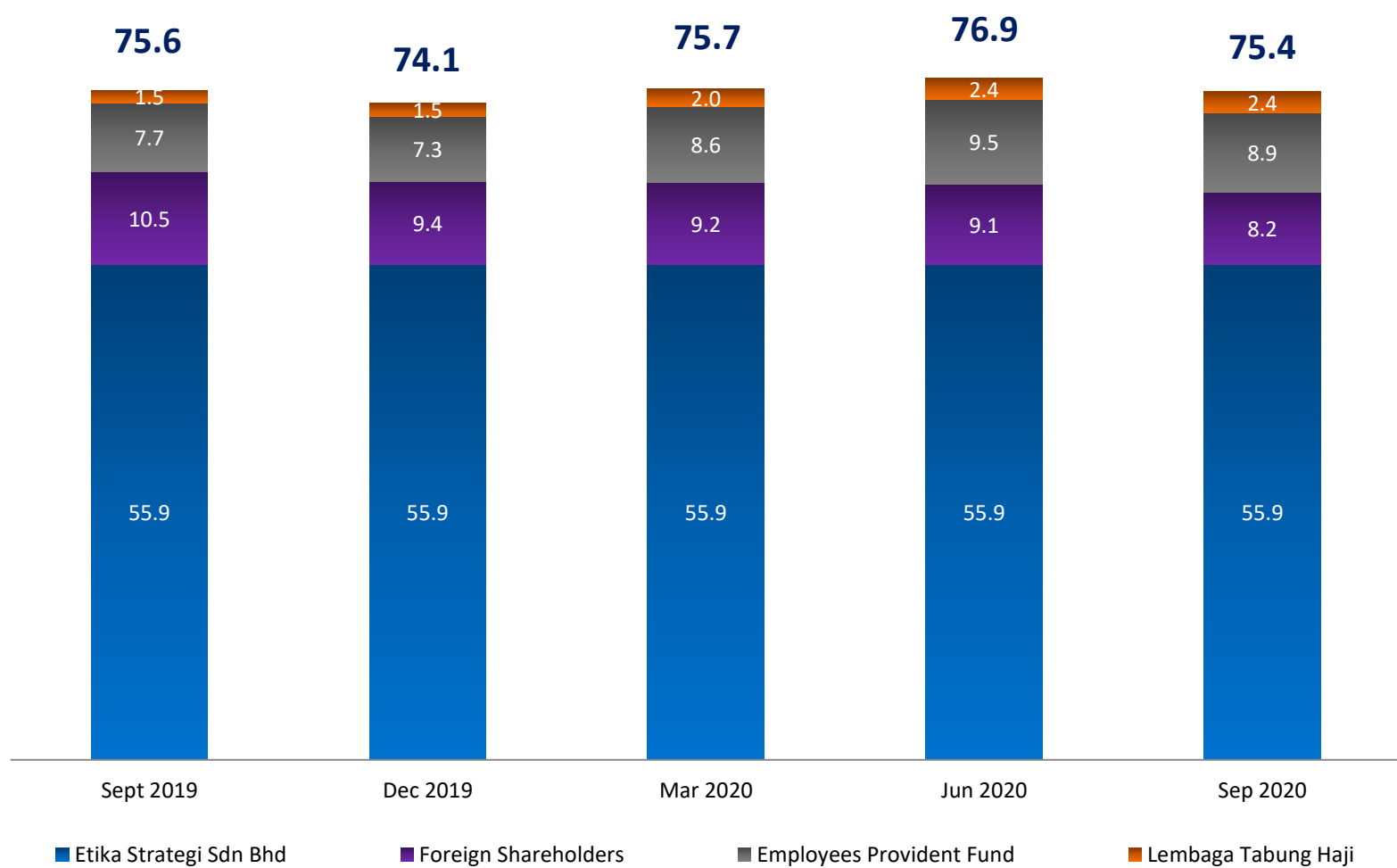


Note : RCCPS – Redeemable Cumulative Convertible Preference Shares
 : PERPS – Perpetual Sukuk
 : NCI – Non-Controlling Interest

Key Shareholders of DRB-HICOM

As at 30 September 2020

(%)





For enquiries, please contact us at:-

Investor Relations
Level 5, Wisma DRB-HICOM
No. 2 Jalan Usahawan U1/8
40150 Shah Alam, Selangor
Malaysia

email : invest@drb-hicom.com

tel : +603 2052 8194 / 8942

fax : +603 2052 8228