



MEDIA RELEASE

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DRB-HICOM REVERSES FY2021 PRE-TAX LOSS WITH RM409.99m PBT IN FY2022

5 of 6 DRB-HICOM business sectors help chart 25% revenue growth in FY2022

SHAH ALAM, Tuesday, 21 February 2023 – On the back of a 25% revenue growth, DRB-HICOM Berhad (“DRB-HICOM”, “the Group”) has recorded a RM409.99 million profit before tax (“PBT”) for the financial year ended 31 December 2022 (“FY2022”). This reverses the pre-tax loss of RM291.27 million the Group recorded in the corresponding year ended 31 December 2021.

For the three month period to 31 December 2022 (“Q42022”), DRB-HICOM registered a pre-tax loss of RM73.13 million, mainly due to year-end assessment of impairment loss of assets.

AUTOMOTIVE, AEROSPACE & DEFENCE AND BANKING SECTORS SHINE IN FY2022

Three sectors led the sterling 25.3% revenue growth in FY2022 at DRB-HICOM, with the Automotive sector leading the revenue growth with an increase of RM2.89 billion (FY2022: RM11.09 billion, *FY2021: FY8.20 billion*). The rise in automotive demand driven by the Government’s sales tax holiday boosted revenue for PROTON and other marques under the DRB-HICOM umbrella, sending revenue rising more than 35.2%. In addition to PROTON and other automotive distribution companies, the increased demand also trickled down to

manufacturing and engineering companies in the Group, as the national total industry volume (“TIV”) set a new record of 720,658 units in FY2022 (FY2021:508,883 units, ↑41.6%).

For FY2022, the national carmaker PROTON sold its highest number of units since 2013 with a rise of 23.3% year-on-year.

Aerospace & Defence sector recorded increase in revenue by RM254.46 million or 41% (FY2022: 874.91 million, FY2021: RM620.44 million). The Group’s defence unit recorded higher deliveries of their products, while the aerospace unit benefitted from the global resumption of commercial flights following the COVID-19-enforced travel bans.

At the Banking sector, revenue growth for FY2022 was RM152.36 million or 13.7% better than the corresponding year (FY2021:RM1.12 billion), mainly contributed by higher financing income and volume from property and personal financing to customers.

Other sectors in the Group charted better year-on-year revenues except for the Postal sector.

CONCLUSION

Malaysia’s Gross Domestic Product (“GDP”) grew by 7.0% in 4Q2022, bringing full year’s growth to 8.7% as compared to 3.1% in previous year. The continued expansion in private sector activities remained the key driver of growth, supported by private consumption and investments. The Malaysian economy is

expected to grow at a moderate pace in 2023. The global economy continues to be weighed down by cost pressures, higher interest rates, weakening currency value and on-going geopolitical tensions.

Despite the challenging external market situation, Malaysia's TIV closed at a new industry high for 2022. However, the MAA expects TIV for 2023 to reduce to 650,000 units in the absence of pent-up demand and in anticipation of weaker global growth. As mentioned, PROTON concluded 2022 on an upbeat note with 141,432 units sold for both domestic and export markets. Proton X50 continues to be the best-selling SUV in Malaysia with 40,681 units sold in the year. The Exora and the X70 also held leadership positions in both C-segment MPV and C-segment SUV respectively.

At the same time, the introduction of new models across all marques within the Group including Honda, Mitsubishi and Isuzu is expected to boost the Automotive sector and entice buying interest among consumers. This will provide a corresponding boost to the Manufacturing & Engineering companies within the Group as well.

The Group's Banking sector will continue to strengthen its business by intensifying its digitalisation efforts and technological capabilities. Meanwhile, the Group's Postal sector remains focused on executing its transformation plan in an increasingly challenging business environment. The rest of the Group's sectors including Defence & Aerospace, Services and Properties will continue to explore growth opportunities and at the same time optimise operational excellence.



Based on the foregoing, the Group's performance for the financial year ending 31 December 2023 is expected to remain positive.

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ABOUT DRB-HICOM

www.drb-hicom.com

DRB-HICOM Berhad ("DRB-HICOM") is one of Malaysia's leading conglomerates with core businesses in the Automotive, Aerospace & Defence, Banking, Postal, Services, and Property sectors. With 82 active companies in its stable and more than 46,000 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 Aerospace and Defence, DRB-HICOM is involved through its subsidiaries CTRM and DEFTECH, while it is represented in the postal segment through its subsidiaries Pos Malaysia, and banking through Bank Muamalat. In the Services segment, DRB-HICOM is involved in various businesses, including concession, education, aviation and logistics and investment holdings whereas in Property, DRB-HICOM is involved in the development of industrial properties.

STATEMENT ON FORWARD-LOOKING

DISCLOSURES

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- *Fluctuations in interest rates, exchange rates and oil prices;*
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- *Regional and/or global socioeconomic changes.*

Potential risks and uncertainties are not limited to the above and DRB-HICOM are not under any obligation to update the information in this news release to reflect any developments or events in the future.

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MEDIA CONTACT POINT:

Mahmood Razak Bahman

Head

Group Strategic Communications Division

DRB-HICOM Berhad

Tel: +603 2052 8007

mahmood.razak@drb-hicom.com



Leong Shen-li (Mr)

Senior Manager

Group Strategic Communications Division

DRB-HICOM Berhad

Tel: +603 2052 8066

leong.shenli@drb-hicom.com