



MEDIA RELEASE

FOR IMMEDIATE RELEASE

DRB-HICOM RECORDS RM200.77M PBT IN Q1FY2023 WITH STRONG PERFORMANCE IN VARIOUS SECTORS

Profit Before Tax increased 50-fold against corresponding quarter in FY2022

SHAH ALAM, Friday, 26 May 2023 – DRB-HICOM Berhad (“DRB-HICOM”, “the Group”) recorded a pre-tax profit (PBT) of RM200.77 million in the first three months of FY2023, representing a 50-fold increase against the corresponding quarter in FY2022. This is alongside the Group’s Q1FY2023 revenue of RM4.10 billion, a 33.7% increase against RM3.07 billion in Q1FY2022, following the improved performance of the Group’s Automotive and Banking sectors.

RESILIENT PERFORMANCE BY VARIOUS BUSINESS SECTORS

The strong financial results were mainly driven by the Group’s Automotive Sector due to improved market share and auto sales performance from all marques within the Group, recording a 46.3% increase in revenue from the corresponding period in FY2022 (Q1FY2023: RM3.02 billion; Q1FY2022: RM2.07 billion). Notably, PROTON had achieved remarkable growth in Q1FY2023 with 40,287 units sold compared with 26,706 units sold during the corresponding period in FY2022 driven by PROTON’s key models, including the Proton X50 that has enjoyed sustained popularity since its introduction. This strong demand had also contributed to the higher revenues recorded by the Group’s automotive distribution as well as manufacturing and engineering companies.

The Banking Sector recorded a 33.1% increase in revenue (Q1FY2023: RM379.29 million; Q1FY2022: RM284.99 million) primarily due to higher financing income led by the growth in financing volume. This was attributed to sustainable growth and expanding customer base as well as the rise in the Overnight Policy Rate (OPR).

Revenue for the Services Sector increased by 10.6% (Q1FY2023: RM204.37 million; Q1FY2022 RM184.82 million) driven by the in-flight catering business and new contracts secured by the logistics business.

The Aerospace and Defence Sector also recorded higher revenue of 5.2% (Q1FY2023: RM168.63 million; Q1FY2022 RM160.32 million) mainly due to higher delivery of single-aisle and certain aircraft parts. However, this was partially offset by lower delivery of defence products.

The remaining business sectors of Postal and Properties reported lower revenues in Q1FY2023 compared to Q1FY2022.

PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2023

The Malaysian economy grew by 5.6% in Q1FY2023, mainly supported by firm domestic demand. The OPR further increased to 3.00% to ensure the monetary policy stance remained consistent with the outlook of domestic inflation and growth. Global economies continued to grapple with higher-than-anticipated inflation, escalation of geopolitical tensions, volatility in financial markets and subdued overall global trade activities.

DRB-HICOM's Automotive Sector experienced a strong start in Q1FY2023, despite the Malaysian Automotive Association's estimation of a lower total industry volume of 650,000 units for 2023. The recent unveiling of the Proton X90 family sports utility vehicle, a mild-hybrid electric vehicle model, underscores PROTON's dedication to local manufacturing and ecosystem development of new energy vehicles ("NEV") in Malaysia. Meanwhile, PROTON's subsidiary Proton New Energy Technology Sdn. Bhd. ("PRONET") will establish its market presence in the NEV segment with its first offering under the smart brand in Malaysia with the intended launching of the new model, smart #1 in the fourth quarter of this year.

Additionally, the introduction of new models featuring advanced technologies from marques under the Group, such as Honda, Mitsubishi and Isuzu as well as



MODENAS, is expected to enhance DRB-HICOM's overall competitive advantage.

DRB-HICOM's Postal sector continues to execute its multi-pronged transformation plan aimed at improving its financial performance and optimising margin-led initiatives. Similarly, the Aerospace sector is focused on accelerating productivity to handle the influx of post-pandemic aircraft orders.

At the same time, the Group's Banking, Defence, Services and Properties sectors are also strengthening their core operations to ensure sustainable growth throughout challenging business cycles.

DRB-HICOM is optimistic of its performance and maintains a positive outlook for FY2023 given its strong market position and diverse portfolio, despite ongoing challenges in the global economy.

-END-

ABOUT DRB-HICOM

www.drb-hicom.com

DRB-HICOM Berhad ("DRB-HICOM") is one of Malaysia's leading group of companies with core businesses in the Automotive, Aerospace & Defence, Banking, Postal, Services, and Property sectors. With 84 active companies in its stable and more than 45,000 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

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 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.

If you are interested in investing in DRB-HICOM, your investment decision is at your own risk, taking the foregoing into consideration. Please note that neither DRB-HICOM nor any third-party providing information shall be responsible for any loss or damage that may result from your investment in DRB-HICOM based on the information presented in this news release.

MEDIA CONTACT POINT:

Mahmood Razak Bahman

Head

Group Strategic Communications Division

DRB-HICOM Berhad

Tel: +603 2052 8007

mahmood.razak@drb-hicom.com



Cairil Irwan Amir

Deputy Head

Group Strategic Communications Division

DRB-HICOM Berhad

Tel: +603 2052 8120

cairil.amir@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