

**DRB-HICOM**

**33<sup>rd</sup>**

**ANNUAL  
GENERAL  
MEETING**

**29 MAY 2023**

**QUESTIONS  
& ANSWERS  
FOR MINORITY  
SHAREHOLDER  
WATCH GROUP  
(MSWG)**

**Question 1:**

**International sales were the area of the biggest growth for PROTON in 2022. With 5,406 units exported, the total volume grew by 79% as South Africa joined the list of export markets. (page 125 of AR2022).**

**What are the Group's plans for expanding international sales of PROTON and what are the additional new export markets that the Group is targeting to explore?**

### **Answer (1) :**

**PROTON plans to grow its international sales by expanding presence through mixture of Completely Built-Up (“CBU”) and Completely Knocked Down (“CKD”) strategies in various strategic locations, including Central Asia and re-entering Thailand and Indonesia markets. Additionally, PROTON aims to become the Right-Hand Drive (“RHD”) hub for Geely, which is responsible for manufacturing and exporting vehicles with right-hand drive configurations for Southeast Asia and beyond.**

### Question 2:

**In 2022, DRB-HICOM Defence Technologies Sdn. Bhd. (“DEFTECH”) registered a profit before tax of RM59 million on the back of a 231% increase in revenue following the completion of its key project the AV8 Gempita. DEFTECH remains optimistic having won tenders worth RM65.51 million in 2022 and secured a maintenance and repair contract for the AV8 Gempita, worth RM99 million.**

**(page 112 of AR2022)**

- a) To-date, what is DEFTECH’s total outstanding value of contracts or orderbook?**

**Answer (2a) :**

**DEFTECH's total outstanding value of contracts is approximately RM100 million including maintenance and repair for the AV8 Gempita.**

**Question (2b) :**

**What is the contract duration for the maintenance and repair for the AV8 Gempita?**

**Answer (2b) :**

**The contract is for three (3) years from 1 July 2022 until 30 June 2025.**

**Question (2c) :**

**What is the total value of tenders submitted for the defence segment?**



### **Answer (2c) :**

**Total value of active tenders submitted is approximately RM29 million to supply operation vehicles for Royal Malaysian Air Force. Other previous tender submissions were not successful due to competitive pricing and MINDEF's decision to re-tender the project.**

### Question 3:

**Composites Technology Research Malaysia Sdn. Bhd.'s ("CTRM") earning was RM560 million in 2022, albeit 45% lower than its pre-pandemic range. (page 112 of AR2022)**

**(a) To-date, what is CTRM's total outstanding value of contracts?**

### **Answer (3a) :**

**CTRM's total outstanding value of contracts is approximately RM6.6 billion from 2023 to 2038, inclusive of the RM3.4 billion latest contracts as reported during the visit of Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz to CTRM's new production facility in Batu Berendam, Melaka recently.**

**Question (3b) :**

**Given the resurgence of activities in the aviation industry, what is the total value of tenders submitted for the aerospace segment?**

### **Answer (3b) :**

**The total value of active tenders submitted for the aerospace segment is approximately RM1.1 billion, pending customers' decision.**

### Question 4:

**HICOM Diecasting Sdn. Bhd. (“HDSB”) recorded higher sales due to increased passenger car demand throughout the year. However, the target for 2022 was not met because of the original equipment manufacturers (“OEM”) delaying their new project launches (page 132 of AR2022).**

**Given the circumstances above, to what extent does HDSB expects to capture sales from OEMs based on their new product launches, in financial year ending 2023?**

**Answer (4) :**

**The mass production of the delayed projects had commenced towards later part of FY2022 and will contribute positively to the FY2023 financial results.**

### Question 5:

**In 2022, HDSB received 48 requests of quotations from local and global customers which provided the chance to explore opportunities and increase its value proposition.**

**(page 133 of AR2022)**

**Based on the 48 requests of quotations from customers, how many quotations were for EV components? What was HDSB's success rate in securing orders?**



### **Answer (5) :**

**Based on 48 requests of quotations, 4 are related to EV components. HDSB success rate of securing orders is approximately 25% due to competitive edge and pricing.**



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