



MEDIA RELEASE

FOR IMMEDIATE RELEASE

DRB-HICOM RECORDS RM210.8 MILLION PROFIT BEFORE TAX IN Q1 2024

Sustained performance across business sectors

SHAH ALAM, Thursday, 23 May 2024 – DRB-HICOM Berhad (“DRB-HICOM”, “the Group”) recorded a pre-tax profit (“PBT”) of RM210.8 million for the first quarter of 2024, surpassing RM200.8 million recorded in the same quarter last year. This was accompanied by a 5.6% increase in revenue, reaching RM4.3 billion compared with RM4.1 billion in the first quarter of 2023.

SUSTAINED PERFORMANCE ACROSS BUSINESS SECTORS

Revenue from the Group’s Automotive Sector increased slightly by 0.8% to RM3,047.8 million mainly due to higher sales volume recorded in the first quarter of 2024 (Q1 2023: RM3,024.4 million).

The Aerospace and Defence Sector recorded an 11.4% increase in revenue (Q1 2024: RM187.8 million, Q1 2023 RM168.6 million), mainly due to increased product deliveries of single-aisle and aircraft parts.

The Postal Sector registered a higher revenue by 4.6% (Q1 2024: RM291.2 million, Q1 2023: RM278.4 million), primarily contributed by its mail business.

The Banking Sector achieved a 34.6% increase in revenue (Q1 2024: RM510.4 million, Q1 2023: RM379.3 million) driven by increased financing income, bolstered by rising financing volumes attributed to sustainable growth and an expanding customer base. Additionally, the increase in the Overnight Policy Rate (“OPR”) from 2.75% to 3.00% in May 2023 contributed to the sector’s strong performance.

The Services Sector recorded a revenue increase of 6.0% (Q1 2024: RM216.6 million, Q1 2023: RM204.4 million), mainly contributed by the in-flight catering business, which saw a higher number of meals prepared, and the ground handling business, in line with the rising number of flights.

Revenue from the Group's Properties Sector surged by 63.0% (Q1 2024: RM79.1 million, Q1 2023: RM48.5 million), primarily due to higher revenue from property development projects.

PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024

The Malaysian economy is forecast to expand by 4% to 5% in 2024 (2023: 3.7%). The Government has embarked on several strategies to stimulate growth and prosperity, which will involve the rationalisation of subsidies and the reduction of fiscal deficit. Bank Negara Malaysia has maintained the OPR at 3% since last May, indicating that the monetary policy stance remains conducive to achieving sustainable economic growth. Nevertheless, escalating geopolitical conflicts, unpredictable fluctuations in global commodity prices and heightened volatility in financial markets continue to pose challenges to the economy.

In the first quarter of the year, the Total Industry Volume ("TIV") recorded a positive growth of 5% to 202,245 units from 192,615 units in the same period last year. This momentum continued after the exceptionally high TIV in 2023, primarily due to the influx of new foreign brands into the market and the general recovery of the economy post-pandemic. However, for 2024, the Malaysian Automotive Association ("MAA") anticipates a lower TIV compared to 2023.

As for the national carmaker, PROTON's top sales were largely attributed to the best-selling Proton Saga, followed by the Proton S70 sedan and the X-series SUV line-up. The company has further demonstrated its commitment to expanding Research & Development ("R&D") capabilities by deepening its collaboration with its existing partner, Zhejiang Geely Holding Ltd ("Geely"). Hence, a new R&D centre has been set up in China to enhance cross-border

collaboration, facilitate knowledge transfer, as well as to build up competencies not only in Malaysia, but also in the ASEAN region. Meanwhile, Honda Malaysia has announced a sales target of 95,000 units for 2024, an increase from 80,027 units in 2023. As for other marques within the Group, the launch of new models would hinge primarily on market sentiment and prevailing economic conditions.

The Group's Banking Sector continues to progress on its digital transformation journey, further bolstering capabilities with the aim to enhance customer experience. The Postal Sector remains steadfast in executing its ongoing transformation strategies to further improve margin-led businesses while aligning with Environmental, Social, and Governance ("ESG") aspirations. Other sectors under the Group, namely Aerospace and Defence, Services and Properties continue to maintain a proactive approach to cost management in ensuring resilience against prevailing market risks.

The Group maintains a satisfactory outlook for the financial year ending 31 December 2024.

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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 Properties sectors. With 89 active companies in its stable and more than 44,000 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 Properties, 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.

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