



MEDIA RELEASE

FOR IMMEDIATE RELEASE

DRB-HICOM REPORTS RM236.70 MILLION PROFIT BEFORE TAX FOR H1 2024

Revenue Remains Stable at RM8.09 billion

SHAH ALAM, Wednesday, 28 August 2024 – DRB-HICOM Berhad (“DRB-HICOM”, “the Group”) reported a revenue of RM8.09 billion for the first half of 2024 (“H1 2024”), reflecting marginal growth compared to RM8.08 billion in the first half of 2023 (“H1 2023”). The Group recorded a pre-tax profit (“PBT”) of RM236.70 million, a decline from RM285.71 million reported in the corresponding period last year.

For the second quarter ended 30 June 2024 (“Q2 2024”), the Group’s pre-tax profit was RM25.93 million, impacted by a decrease in revenue to RM3.76 billion from RM3.98 billion in Q2 2023. The revenue decline was primarily due to lower sales in the Automotive, Postal, and Properties sectors. In the Automotive sector, Proton vehicle sales were affected by a scheduled plant maintenance shutdown during the quarter under review.

REVENUE GROWTH DRIVEN BY STRENGTH IN BANKING, AEROSPACE & DEFENCE, AND SERVICES SECTORS

In the Banking sector, the Group reported a significant revenue increase to RM1.04 billion in H1 2024, marking a 28.3% rise from RM0.81 billion in H1 2023. This growth was primarily driven by higher financing income, resulting from increased financing volume, supported by sustainable growth and an expanding customer base.

The Aerospace and Defence sector saw revenue reach RM394.06 million in H1 2024, up from RM312.84 million in H1 2023. This improvement was mainly attributed to the higher volume of product deliveries, including single-aisle aircraft and specific aircraft parts.

The Services sector recorded a 7.7% increase in revenue, achieving RM436.12 million in H1 2024, up from RM405.06 million in H1 2023. This growth was primarily driven by the in-flight

catering business, which saw a significant rise in meal preparations, and the ground handling business which benefited from an increasing number of flights.

PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024

The Malaysian economy is expected to maintain its growth trajectory underpinned by healthy domestic demand and export sector. This is further strengthened by Bank Negara Malaysia's decision to hold the Overnight Policy Rate steady at 3%, indicating continued support for economic expansion. Nevertheless, global outlook remains volatile due to various concerns including elevated inflation, interest rates, fiscal consolidation and on-going geopolitical tensions.

The Malaysian Automotive Association announced a revised total industry volume forecast of 765,000 units for 2024. Despite this revision, the forecast remains lower than the record-breaking sales of 799,731 units achieved in 2023. Softer demand is expected in the second half of the year, given the anticipation of fuel subsidy rationalisation and weaker consumer sentiment.

As for the national carmaker PROTON, the newly launched improved versions of the X50 and X70 have received overwhelming responses, with more than 8,000 and 2,000 bookings respectively since their launches in June and August. New model launches by other marques within the Group, together with the upcoming launch of PROTON's first electric vehicle ("EV") model, the Proton e.MAS 7, are expected to contribute positively to the Group's Automotive Sector.

The Group continues to focus on adoption of technology and digital transformation, especially in its Banking, Postal and Services sectors. For the other sectors, namely Properties, and Aerospace and Defence, the Group remains committed in embracing sustainable practices towards strengthening business resilience.

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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