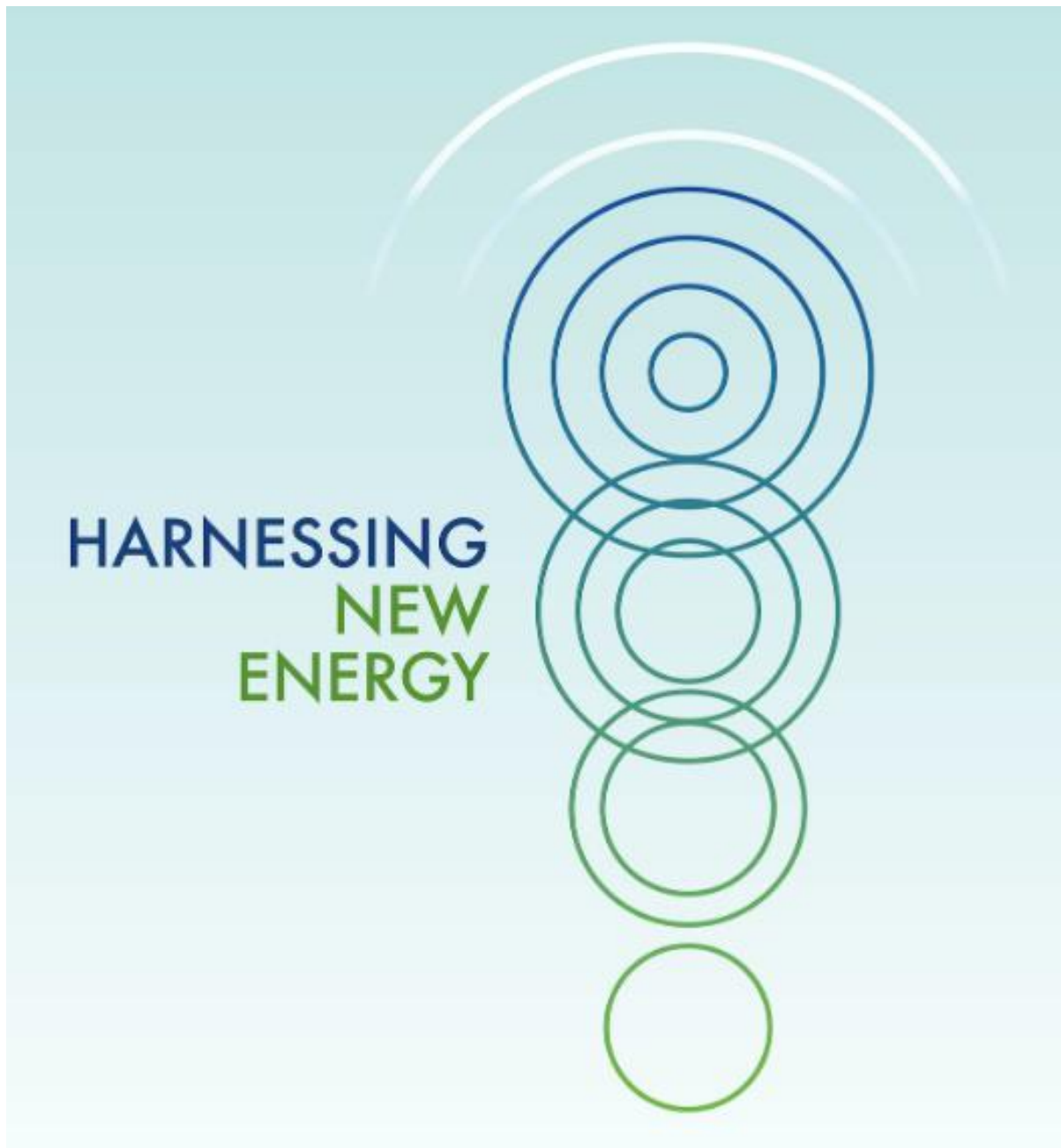


**DRB-HICOM**

## 34<sup>th</sup> ANNUAL GENERAL MEETING



**Annual General Meeting  
Questions & Answers  
28 May 2024**

*Note: The questions and feedback have been edited for brevity and clarity*

## Gifts

No.	Question
1.	Please provide some e-vouchers to attending shareholders if possible. Thank you in advance.
2.	Got gift?
3.	Is any door gift is given to shareholders attending this AGM? Thank you.
4.	Hope board of directors will give door gift to shareholders who attend the virtual AGM as a token of appreciation. Thanks.
5.	Any door gifts for who attending today? Thank you.
6.	Dear BOD - Kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting. Times are bad. Please be considerate to us shareholders during these trying times. Thank you.
7.	Any e-door gift?
8.	Today have door gift?
9.	Kindly distribute door gift to delight the shareholders. Thank you.
10.	Reward participant to encourage support for virtual meetings.
11.	I support company shares for 49 years ago, please reward. Thank you.
12.	I am a long-time shareholder. I would like to request for e voucher as a token of appreciation for attending this AGM.
13.	Can the BOD kindly provide door gifts to all AGM attendees?
14.	Please provide refreshment via e-wallet.
15.	Would the Board kindly reward shareholders with touch & go e-wallet as a token of appreciation for attending this AGM?
16.	This year have door gift?
17.	Good Day, is there any door gift for online audiences?
18.	Kindly provide gift to those shareholders who voted. Thanks in advance.
19.	Kindly give e-voucher or door gift to shareholders/proxies who participated in this virtual meeting as a token of appreciation. Thank you.
20.	I would like purchase proton's new car. Could you provide some discount vouchers on this? Thank you.
21.	Good morning, Chairman is the company considering to give door gifts such as e-voucher/e-wallets for the shareholder/proxy holder who are attending the virtual AGM, thank you.
22.	Morning BOD, please consider door gift to shareholders attending the AGM. Thank you.
23.	Hopefully this AGM attendees will expect a door gift/e-wallet. Thank you very much.
24.	I humbly request BOD to give e-voucher as token of appreciation to meeting attendees. I believe the token sum is small n within annual expenses.
25.	Any door gift or food voucher since company choose to go virtual AGM? This has cut the shareholder benefit indirectly.
26.	Please give us some door gifts/e-vouchers/e-wallet for attending this RPEV as a token of appreciation. Thank you.
27.	Kindly provide e-voucher to those who attend this AGM? TikTok and Facebook Influencer or Youtuber will help to make the company stand tall in the corporate eye and improve corporate image.
28.	Please give us some e-vouchers/e-wallet for attending this RPEV as a token of appreciation. Thank you.
29.	Please give us some door gifts/e-vouchers/e-wallet for attending this RPEV as a token of appreciation. Thank you.

No.	Question
30.	Would the company consider giving a token of door gift to attending shareholders for the time, efforts & internet usage?
31.	Please give us some door gifts/e-vouchers/e-wallet for attending this RPEV as a token of appreciation. Thank you.
32.	I spend time to register, attend meeting, approved and support your Resolution, please reward.
33.	Must give some appreciation for shareholders. Just post it to all shareholders that attend this meeting.
34.	Dear Honourable Chairman & Board of Directors, noted it is stated no door gifts. However, we appeal to your kind selves & generosity to reward us your loyal shareholders with E-Wallets, E-Vouchers and/or Food Vouchers, for making the effort & taking the time to attend this AGM. Greatly disappointed none were given in previous years! Hope to see you revert to old practice of giving good door gifts like those pre-COVID days! Look forward to receiving the door gifts this year. Thank you.
35.	Why this time meeting does not provide any door gift?
36.	Will the Board consider giving door gifts such e-voucher or e-wallets for those participating in this AGM as a token of appreciation?
37.	I hope company will give some e-voucher or e-wallet to all shareholder join this AGM today.
38.	On the topic of door gifts, I don't think DRB-HICOM should give e-wallets or unrelated door gifts but DRB must re-instate the RM500 Proton voucher. There are many people like me who are deciding between buying a Perodua or Proton within next 6 months and the RM500 Proton voucher would sway my decision.
<b>Answer to questions number 1 to 38</b>	
Regretfully, there is no plan to distribute door gifts or refreshments for this virtual AGM.	

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## Operations

No.	Question
39.	May I know what is the company's future outlook?
40.	What is future or next development business operation?
<b>Answer to questions number 39 and 40</b>	
<p>The Group remains focused on executing our business strategies, which include, among others:</p> <ul style="list-style-type: none"> <li>(i) PROTON's long-term business plan</li> <li>(ii) Pos Malaysia turnaround</li> <li>(iii) AHTV development in Tanjong Malim</li> <li>(iv) Bank Muamalat 5-Year Strategic Plan 2022 to 2026</li> <li>(v) Turnaround of loss-making companies i.e. automotive retail, M&amp;E business</li> <li>(vi) Crystallise value for other businesses such as Pos Aviation, Properties etc.</li> <li>(vii) Pursue new business opportunities, i.e. new dealership business, etc.</li> </ul>	
No.	Question
41.	What are DRB-HICOM's strategies for the next 1-3 years to make sure that the Group remains relevant in the automotive market?
<b>Answer</b>	
<p>To ensure sustainable automotive businesses within the Group, we remain focused on executing the following strategies, which include, among others:</p> <ul style="list-style-type: none"> <li>(i) launch of new/facelift models</li> <li>(ii) offer unique customer incentives and product offerings</li> <li>(iii) embrace technology and automation</li> <li>(iv) establish brand loyalty by enhancing customers' experience and satisfaction expansion of business beyond the home market (smart cars in Thailand)</li> </ul>	
No.	Question
42.	Will 2024 be better than 2023 or be worse due to new challenges?
43.	How company will sustain profit during economic and political instability nowadays?
<b>Answer to question number 42 and 43</b>	
<p>We remain optimistic that 2024 will be better, in line with BNM's GDP forecast, which states that the Malaysian economy is expected to grow by 4% to 5% in 2024 (2023: 3.7%).</p> <p>This is further supported by the recent announcement by the Malaysian Automotive Association ("MAA") that the Total Industry Volume ("TIV") for the first four months grew by 8% to 260,236 units, compared to 240,417 vehicles during the same period last year.</p> <p>DRB-HICOM also recorded higher sales in YTD April 2024, with 85,646 units as compared to 84,418 units of vehicles sold in the same period last year.</p> <p>Besides, we have our mid-to-long-term strategic growth outlined to ensure sustainable growth going forward.</p> <p>The Group remains a satisfactory outlook for the financial year ending 31 December 2024.</p>	

## Operations

No.	Question
44.	Any overseas expansion plans?
<b>Answer</b>	
<p>DRB-HICOM recently demonstrated our commitment to expanding Research &amp; Development (“R&amp;D”) capabilities by deepening collaboration with our existing partner, Zhejiang Geely Holding Group Co., Ltd (“Geely”).</p> <p>A new R&amp;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.</p>	
No.	Question
45.	Will the company plan to use more AI and automation to cut down staff cost?
<b>Answer</b>	
<p>We constantly explore new technologies to improve our productivity across all our businesses. For example, we have employed automation in our manufacturing businesses to paint and assemble vehicles.</p> <p>AI is a new area of technology which we are currently exploring.</p>	
No.	Question
46.	The EV market is rapidly evolving. Could the Management provide insights on how the company is preparing for the potential disruption in the automotive sector and how it plans to capitalise on any opportunities presented by the EV revolution?
<b>Answer</b>	
<p>The Group will continue to assess the progress of EVs globally prior to the roll-out of new models. While there were failures of EV ventures that have been reported in the news, there were also great EV successes around the world.</p> <p>The Group has outlined the EV Roadmap in stages, from the collaboration of EV infrastructures, and introduction of new models up to the establishment of EV RHD Hub and ecosystem in the long term. Some of the key milestones pursued include:</p> <ul style="list-style-type: none"> <li>(i) Establishment of PRO-NET to focus on the development of the EV value chain</li> <li>(ii) Collaboration with Gentari to establish EV charging infrastructure</li> <li>(iii) Collaboration with SMART for distribution of smart #1 cars in Malaysia and Thailand</li> <li>(iv) Launched of 2 new models - smart #1 EV and the mild hybrid X90</li> <li>(v) Assignment of Proton R&amp;D engineers to GRI Hangzhou Bay (China)</li> </ul>	

## Operations (cont'd)

No.	Question
47.	How will the minimum wage and the gradually salary increment plan by the Government affect the Company's finance?
<b>Answer</b>	
<p>The Government is piloting a Progressive Wage Model (“PWM”) that ties wages to productivity. Once finalised, this model could present an opportunity to invest further in employee development, potentially leading to higher motivation, performance, and shareholder value. Implementing a PWM can promote fair wage increases, reduce pay gaps, and potentially boost morale and employee retention.</p>	
No.	Question
48.	The AHTV concept was muted since started with Proton City in Tanjung Malim, but until now it still just talking now. Why the progress is so slow?
<b>Answer</b>	
<p>There were many developments happening, especially in the preparation of amenities and facilities. For example:</p> <ul style="list-style-type: none"> <li>(i) Petrol stations to cater for the working community, residents as well as logistic operators have been set up</li> <li>(ii) A direct gas pipeline is currently being laid out to cater for the high demand for natural gas from the manufacturers and will be ready by 2Q25</li> <li>(iii) 5 vendors are expanding their factories at AHTV to cater for higher volumes from PROTON.</li> <li>(iv) 2 new vendors are building their factories to supply parts for PROTON, which will add to the existing 19 vendors operating in AHTV</li> <li>(v) 8 newly currently constructed factories are available for lease for vendors who choose pluck and play concept</li> </ul> <p>AHTV has also seen 3 new lifestyle attractions built and under construction, i.e.:</p> <ul style="list-style-type: none"> <li>(i) A golf driving range with a bowling centre has started operating, which is in the final phase of development and should be ready by July 2024</li> <li>(ii) A private school with English medium has been established to cater for Malaysian and expatriate</li> </ul>	

## Operations (cont'd)

No.	Question
49.	When will PROTON produces an EV car with reasonable price?
50.	When to produce electric car?
51.	Perodua has come up with a target to launch Perodua EVs by 2025. Does PROTON have a specific timeline (which year) to launch Proton EVs?
<b>Answer to questions number 49 to 51</b>	
PROTON has its EV strategic roadmap in place and we will announce it prior to the launches.	
No.	Question
52.	When to produce solar power car?
53.	When to produce hydrogen power car?
<b>Answer to questions number 52 and 53</b>	
PROTON is always considering new technologies. The introduction is subject to market demands and Government policy, among others.	
No.	Question
54.	Will Proton cars' selling price increase due to the increasing of manufacturing cost? If yes, when will the price increase?
<b>Answer</b>	
No price increase is planned at the moment. PROTON has absorbed all the corresponding price increases.	
No.	Question
55.	Based on the group vehicle sales volume for the first four months, is there any revision to the 2024 sales volume target?  So far how many S70 delivered in 2024?
<b>Answer</b>	
<ul style="list-style-type: none"> <li>• The Group's sales volume target remains intact.</li> <li>• As for the first four months of 2024, about 7,500 units of PROTON S70 have been delivered.</li> </ul>	

## Operations (cont'd)

No.	Question
56.	When will MODENAS announce Electronic scooter with reasonable price?
<b>Answer</b>	
MODENAS is already supplying Pos Malaysia with e-scooters for its Postmen. The e-scooters are intended for fleet sales and are unavailable for public purchase.	
No.	Question
57.	Any plan to listing Bank Muamalat in Bursa Malaysia?
58.	Bank Muamalat plans to go IPO before 2026?
<b>Answer to questions number 57 and 58</b>	
The Group is working towards meeting Bank Negara Malaysia's requirement to pare down BMMB stake to 40%.	

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## Operations (cont'd)

No.	Question
59.	Any plan to acquire more stake holding in Pos Malaysia? Tan Sri is also Chairman of POS. Hence, this is a good synergy created in the whole business empire ecosystem.
60.	Why not divest those poor businesses that bring down the group performance like Pos Malaysia?
<b>Answer to questions number 59 and 60</b>	
There are no plans to increase/decrease our stake in Pos Malaysia.	
No.	Question
61.	How to turnaround Pos Malaysia?
62.	Given the post service division's impact on profitability, could the board elaborate on the specific turnaround strategy being implemented to address its losses and improve its overall performance?
<b>Answer to questions number 61 and 62</b>	
<ul style="list-style-type: none"> <li>• Despite lower volumes and revenues, Pos Malaysia has continuously delivered an improved bottom line, although the result has yet to be profitable.</li> <li>• The main reasons for this are declining mail volumes, a fixed network with the requirement to deliver on Universal Service Obligations (“USO”), and a very challenging and competitive parcel sector.</li> <li>• However, Pos Malaysia is accelerating its margin-led businesses, commercial programs, and strict cost management and is on course for its third phase of transformation plans.</li> </ul>	

## Dividend

No.	Question
63.	Can company sustain giving dividend to all shareholder for next year and what is dividend policy?
<b>Answer</b>	
<ul style="list-style-type: none"> <li>• The Company had consistently paid our shareholders dividends despite the challenging time (COVID-19 era) when we incurred losses.</li> <li>• In line with this year's improved performance, we proposed a higher dividend payout of 2.5 sen to our shareholders.</li> <li>• We remain committed to rewarding our shareholders with sustainable dividend growth over time.</li> </ul>	
No.	Question
64.	When to pay dividend and distribute treasury shares?
<b>Answer</b>	
The dividend payment date is on 27 June 2024.	
No.	Question
65.	When to propose Dividend Reinvest Plan?
<b>Answer</b>	
DRB-HICOM has no plans to propose a dividend reinvestment plan to shareholders.	
No.	Question
66.	Thank you for the improved performance & dividend. Look forward for another good performance, share appreciation & dividend. Therefore, good return to shareholders.
<b>Answer</b>	
We take note of your feedback. Thank you.	

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## Shares

No.	Question
67.	While the company boasts a healthy bottom line, the stock price hasn't reflected its true potential. Could the board elaborate on its strategy to improve shareholder value and drive long-term stock price growth?
68.	DRB-HICOM is a big conglomerate (like Sime Darby), but why its performance is so bad? This is reflected in this share price, which is stagnant throughout many years.
69.	What is the point of the company doing well but is not reflected in their share price and dividends, which is what investors are interested. Thanks.
<b>Answer to questions number 67 to 69</b>	
<ul style="list-style-type: none"> <li>• Share price movements are primarily influenced by various factors such as company performance, market sentiments, economic conditions, regulatory changes, etc.</li> <li>• The volatility observed in DRB-HICOM's share price not only occurred in our company but also reflects the broader trends seen across domestic and global stock exchanges due to the ongoing geopolitical tension, unpredictable fluctuation in commodity prices, financial market, etc.</li> <li>• DRB-HICOM's share price is undervalued relative to its intrinsic value, as Net Asset per Share stood at RM3.93, whilst the share price closed at RM1.39 as of 31 December 2023.</li> <li>• This gap provides potential capital appreciation, especially for mid-to-long-term investors, through business and asset growth from our diversified portfolio and improved market position in the long run.</li> <li>• Despite the challenging environment, the Group demonstrated robust revenue growth of RM15.9 billion in 2023, marking a new historical high.</li> </ul>	
No.	Question
70.	Why EPF keep disposing the share? Future not good?
<b>Answer</b>	
We are not in a position to comment on EPF's decision to acquire or dispose of the shares.	

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## Board of Directors

<b>No.</b>	<b>Question</b>
71.	Any conflict of interest since Tan Sri Faisal Albar bin Ali Rethza Albar is the Group Chief Executive Officer, MD & Director but is non-independent chairman of subsidiary, Pos Malaysia Bhd?
<b>Answer</b>	
Tan Sri Syed Faisal Albar is the Chairman/Non-Independent Non-Executive Director of Pos Malaysia Berhad ("Pos Malaysia") and a person nominated by DRB-HICOM Berhad, a major shareholder of Pos Malaysia.	
<b>No.</b>	<b>Question</b>
72.	No need female Director unless they perform.
<b>Answer</b>	
We take note of your feedback. Thank you.	

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## AGM

No.	Question
73.	Please consider General Meetings to be conducted in both physical at PROTON Centre of Excellence & online.
74.	When would our company holds physical AGM or hybrid AGM like what Bursa Bhd had done so this year along with many other listed companies?
75.	May I know virtual meeting will become the policy of DRB-HICOM or just temporary? I am missing previous physical meetings that we can interaction to each other and seeing some activities / products of DRB-HICOM.
76.	Kindly revert to physical meeting to interact personally with the shareholders. It has immense prospects and inspiration for the Management. Be grateful to the shareholders for their support and time. Thank you.
77.	Please have a physical or a hybrid meeting. Do not hide behind the veil. Be transparent, accountability, responsible and conscientious to the shareholders.
78.	When are you going to open the voting?
79.	Please let us vote when the meeting starts.
80.	Why is the meeting not started? Thank you.
81.	Please continue online AGM in future so more holders can join in.
82.	Please schedule meetings away from peak month, peak day, peak hour, so many meetings held at the same time, how to attend?
<b>Answer to questions number 73 to 82</b>	
<p>DRB-HICOM is reviewing the process to ensure the Company's AGM continues to be conducted effectively and efficiently.</p> <p>Regardless of the AGM's venue, mode, or platform, whether virtual, hybrid, or physical, the Company will ensure that its AGM supports meaningful engagement between the Board/Senior Management and its shareholders.</p>	

## Administrative

No.	Question
83.	May I get a hard copy of DRB-HICOM annual report? I wish to receive a copy through post. Thank you.
84.	Morning BOD please send a copy of annual report to me and please give e-wallet or e-vouchers to those attending this meeting. Thank you.
<b>Answer to question number 83 and 84</b>	
The Share Registrar will send a hard copy of the Integrated Annual Report 2023 to you.	
No.	Question
85.	I email Proton customer service regarding 3 free service charges of RM30 each for Proton cars and have not received reply. Why do you impose expiry dates for owners to enjoy such small amount? I understand we have to send for service within a specific time but to cancel RM30 is unfair. Owners will somehow send for service amidst a bit later as their mileage travelled is still low. Hope you could reconsider that ruling to prevent any argument with the service centre. Thank you.
<b>Answer</b>	
We have taken note of your request. Please provide your details, i.e., car registration, and contact number for PROTON service to reach out to you. Thank you.	

## Pre-AGM Questions

No.	Question
1.	Kindly consider distributing door gift to delight the shareholders.
2.	Is the company giving any door gift to shareholders attending this AGM?
3.	Any door gift or voucher for attending the 34 <sup>th</sup> AGM?
4.	Hi, is there any door gift or voucher for attending the 34 <sup>th</sup> AGM?
5.	This year AGM please give door gift.
6.	This year AGM please provide door gift for shareholders.
7.	Please give us some door gifts e-vouchers/e-wallet for attending this RPEV as a token of appreciation. Thank you.
8.	Will there be door gifts at this AGM?
<b>Answer to questions number 1 to 8</b>	
Regretfully, there is no plan to distribute door gifts for this virtual AGM.	
No.	Question
9.	Please post the hard copy of the annual reports to my address. Thank you.
10.	Please send the hard copy for the annual reports to my address. Thank you.
11.	Can I have a copy of current year financial report? Thank you.
<b>Answer to questions number 9 to 11</b>	
The Share Registrar will send a hard copy of the Integrated Annual Report 2023 to you.	

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## Pre-AGM Questions (cont'd)

No.	Question
12.	Annual Fees for directors - please revise the policy as there is no benefit for shareholders if the directors continue to receive lucrative annual fees seeing as shareholders' dividends are based on operational costs. Directors' annual fees should also follow the costs and losses incurred by the company as directors have a direct involvement in company's management compared to shareholders.
<b>Answer</b>	
<ul style="list-style-type: none"> <li>• The Company has a Directors' Remuneration Framework for Non-Executive Directors, comprising Directors' fees and allowances, benchmarked against similar industries, responsibilities and duties, risk, time commitment and others.</li> <li>• The Constitution of DRB-HICOM stipulates that the fees payable to Directors shall be paid by a fixed sum and cannot be paid on a percentage of profits or turnover. To the best of our knowledge, there are no companies whose fees follow costs and losses incurred by the company.</li> <li>• Nevertheless, the Company is committed to rewarding the shareholders with dividends and will continue to review this in the interest of all stakeholders.</li> </ul>	
No.	Question
13.	Minority shareholder - revised the policy on dividends based on performance of operational cost. Operational cost has for decades been down thus basing the dividends pay-out on operational cost is not beneficial for shareholders.
<b>Answer</b>	
<p>The Dividend Policy is not based on the performance of operational cost. Instead, the Group outlined its dividend policy based on 20-30% operational net profit as stated in page 72 of Annual Integrated Reporting 2023.</p>	

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## Pre-AGM Questions (cont'd)



No.	Question
14.	The subsidiaries' financial performance has been improving but the holding company's minority shareholders are still not benefiting much in terms of returns. The corporate minority shareholders are similarly affected. Need a more equitable division between the increase revenue among the subsidiaries to benefit the holding company's minority shareholders. I believe this is a common concern raised yearly by minority shareholders even the corporate minority shareholders but we have yet to receive a logical response apart from that the dividends are based on operational performance and since operational costs are negative, the company decides to still pay our but at nominal rate.
<b>Answer</b>	
<ul style="list-style-type: none"> <li>• The Company has consistently paid dividends over the last 6 years despite the Group incurring losses in some years.</li> <li>• For example, despite reported losses during the COVID-19 pandemic in 2020-2021, the Group distributed 2.0 sen dividends to the shareholders.</li> <li>• Before deciding on the dividend payout, the Board will consider the availability of cash, operating requirements, retained earnings, and the group's future capex / investment plan.</li> <li>• As the Group's performance improved, we even proposed a higher final dividend of 2.5 sen this year.</li> <li>• DRB-HICOM aims to provide stable dividends over time to shareholders and sustainable business growth going forward.</li> </ul>	
No.	Question
15.	What steps are DRB-HICOM taking to incorporate sustainable manufacturing practices across its automotive and other manufacturing sectors? Are there any specific targets or milestones set for reducing waste, enhancing recycling efforts, or utilising eco-friendly materials in your products?
<b>Answer</b>	
<ul style="list-style-type: none"> <li>• DRB-HICOM has been using energy-efficient and green-energy technologies in our automotive and other manufacturing businesses to enhance productivity and efficiency.</li> <li>• The Group will continue to expand and develop new green mechanisms to enhance its sustainable manufacturing practices further.</li> <li>• There are plans to establish specific targets related to waste management systems.</li> <li>• The Group has embarked on vendor assessment programmes to support our supply chain network in implementing ESG practices relating to materials management.</li> </ul>	

No.	Question
16.	Will the company spin-off Bank Muamalat
17.	Any plan to IPO Bank Muamalat?
<b>Answer to question number 16 and 17</b>	
The Group is currently working towards meeting Bank Negara Malaysia's requirement to pare down BMMB stake to 40%.	
No.	Question
18.	How much is the order book to sales for Aerospace & Defense sector?
<b>Answer</b>	
The current order book for Aerospace & Defence is RM8.0 billion, but to clarify, the industry has moved from order books to firm orders, which are confirmed on a yearly basis.	
No.	Question
19.	Are there any plans for PROTON to be relisted back on the KLSE? Any EV model launching in the pipeline?
<b>Answer</b>	
There are no plans to list PROTON at the moment. The Company has already outlined its EV strategic plans, and we will announce them prior to the launches.	
No.	Question
20.	How to turnaround Pos Malaysia? Does the company request for tariff adjustment with the government? If government increase the minimum salary in Malaysia, how much additional staff cost increase?
<b>Answer</b>	
<ul style="list-style-type: none"> <li>• Pos Malaysia has narrowed its losses despite lower volumes and revenues over the last 2 years and will continue its turnaround plans by accelerating margin-led businesses and commercial programs.</li> <li>• The Government approved tariff rebalancing in 2020.</li> <li>• If the Government raises the minimum wage, the impact on staff costs will be minimal, circa 3%.</li> </ul>	