



MR D.I.Y. 1QFY2023 NET PROFIT UP 27.1% Y-O-Y TO RM127.8 MILLION

*1QFY2023 revenue rises 15.6% Y-O-Y to RM1.0 billion;
1QFY2023 gross profit up 30.6% Y-O-Y to RM463.3 million;
Declares 1QFY2023 dividends of RM56.6 million*

SELANGOR, **11 MAY 2023** – Malaysia’s largest home improvement retailer MR D.I.Y. Group Berhad (“MR D.I.Y.”) reported revenue of RM1.0 billion, a 15.6% increase year-on-year (“y-o-y”) compared to the corresponding prior period. The revenue growth was driven by growth in same-stores sales as well as positive contribution from new stores. In turn, both of these factors led to an increase in transaction volumes which rose 18.1% y-o-y to 38.2 million transactions. The Group’s store network expanded from 1,080 stores in FYE2022 to 1,125 stores as of 31 March 2023 across its three brands - MR D.I.Y., MR TOY and MR DOLLAR.

The higher revenue and a decline in freight costs led to a 30.6% y-o-y increase in gross profit (“GP”) to RM463.3 million. GP margin for 1QFY2023 expanded 5.1 percentage points (“p.p.”) y-o-y to 44.3% mainly attributed to lower freight costs and the impact of a price adjustment exercise in 3QFY2022. Profit before tax (“PBT”) for the period rose 28.3% y-o-y to RM172.6 million. The results benefitted from a rebound in gross profit margin modestly offset by higher operating expenses, particularly from higher employee cost incurred following a 25% increase in the minimum wage rate, which came into effect on 1st May 2022. Consequently, net earnings for the 1QFY2023 rose 27.1% y-o-y to RM127.8 million while net earnings margin increased 1.1 p.p. to 12.2% compared to 11.1% in the 1QFY2022.

Commenting on the results, MR. D.I.Y.’s Chief Executive Officer Adrian Ong said, “The quarter was highlighted by the Group’s ability to deliver sustainable growth backed by the strength and resiliency of our business model and underpinned by the value for money offerings that we bring to all our consumers. We have been able to deliver this growth with revenue rising 15.6% to reach RM1.0 billion

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despite a challenging operating environment as inflationary pressures continue to impose a constraint on household budgets. Despite operating cost pressures, we continue to record improvements in our operating margins driven by earlier price increases put through during the 3QFY2022 as well as lower freight costs which have normalised mainly due to the improvement in the global supply/demand situation for containers and vessels. Should these conditions prevail, we expect to see the full benefit of it in FY2023.

Ong added, “The Group is cautiously optimistic about its prospects going forward, as there are still concerns on the impact on household income given the increases in cost of living. However, this also puts us in a good position to benefit from the strong demand for our affordable, everyday items in the context of continued inflationary pressures on consumers. The more favourable freight environment also favours a better performance going forward.”

“We will maintain our commitment towards investing in sustainable growth through a measured store expansion strategy, innovations in store formats that suits the market needs whilst continuing to provide our customers with value, convenience and a wide range of products under our “Always Low Prices” formula. Our target is to open 180 new stores across all brands in 2023, which will bring the total nationwide store network to over 1,200 and further cement the Group’s position as the largest home improvement retailer in the country.”

MR D.I.Y declared a dividend of RM56.6 million for 1QFY2023, which is equivalent to a dividend payout of 44.3% of net earnings.

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About MR D.I.Y. Group (M) Berhad

MR D.I.Y. Group (M) Berhad (“MR D.I.Y.” or the “Company”) is a home-grown enterprise with 1,125 stores in Malaysia and Brunei. The home improvement retailer has dedicated to make a positive difference in the lives of its valued customers by offering convenience at all its stores nationwide and online at www.mrdiy.com.my

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All MR. D.I.Y stores are directly managed by the Group. The retailer often works in collaboration with owners of malls and shopping centres to drive customer traffic to the stores. MR. D.I.Y. stores offer a wide selection of SKUs across five major categories, namely hardware; household and furnishing; electrical; stationery and sports equipment products; and others (comprising toys, car accessories, jewellery, cosmetics and food and beverage).

The Company strives to put its customers first by operating an innovative business that is flexible when it comes to providing a wide variety of products, good quality and value-for-money, holding true to the Company's motto of "Always Low Prices".

For more information on MR D.I.Y., please log on to www.mrdiy.com

MEDIA ENQUIRIES:

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