



Heineken Malaysia Berhad 59th Annual General Meeting

MD's Presentation

*Roland Bala
Managing Director*



Full Year 2022: From Reopening to Recovery



Emerging from the Storm

Covid-19 transition to endemic phase.

Reopening of international borders & revival of tourism

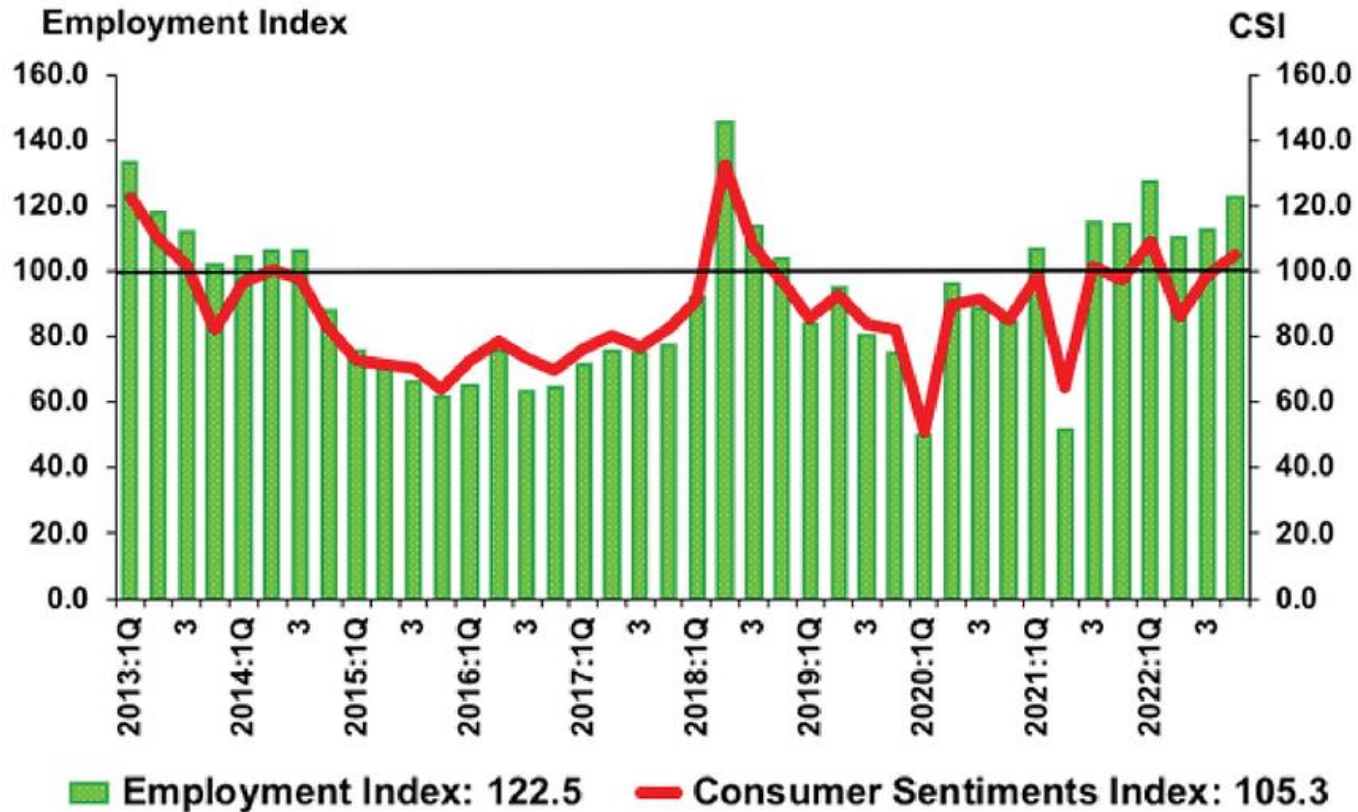
Government's Negative List abolished, entertainment outlets resumed operations

GE15 outcome renewed optimism

Unity Government focused on accelerating economic recovery

Consumer Sentiments Index 2022

Source: Malaysian Institute of Economic Research



Consumers maintained cautiously positive sentiment in 2022

- Present finances unchanged for most
- Improvement in jobs, income expectation
- Inflation worries continue to soften
- Declining spending plans

Tiger Beer – Malaysia's No. 1 Beer



Key campaigns in 2022

Tiger CNY: The Year We ROAR Together

- Exciting CNY festive promotions with an exciting campaign across all channels, bridging physical and digital.

Tiger Street Food Festival

- Two-weekend-long festival bringing together the best of Malaysian street food best enjoyed with Tiger Beer.

Cheers To The Bold

- A series of epic live viewing parties and exciting promotions to celebrate the most anticipated football season.

Tiger Crystal Fire Starter

- Empowered fans with the confidence to discover their inner fire by picking up new passions and unlocking their potential and skills.

Guinness – The World’s No. 1 Stout



Key campaigns in 2022

Guinness St. Patrick’s Festival

- Guinness rewarded fans who get the gang back together with exciting activities in conjunction with the St. Patrick’s celebration.

House of Guinness

- Revolutionary consumer experience for fans to discover the innovation of Guinness Draught in a Can.

Launch of Guinness Draught in a Can

- Guinness lovers can now enjoy their favourite draught at home with Guinness Draught in a Can
- Arthur Store house.

Edelweiss – the Premium Wheat Beer Born in the Alps



Key campaigns in 2022

Chalet Edelweiss

- A unique experience that transports guests from the heat of the tropics to the sweeping horizons of the alps, right here in Malaysia.
- Consumers immersed themselves in the true nature of Edelweiss and were transported to see the golden wheat fields, hear the howling wind, smell the fresh alpine air and feel the cool breeze — all while tasting a refreshing glass of Edelweiss at a crisp Alpine temperature.

Every Hour is Happy Hour with Star Bar, a new feature on Drinkies



The advertisement features a vibrant bar scene with a bartender in a blue shirt and black apron serving a tray. In the foreground, a couple is seated on a white sofa, enjoying drinks and food. A large smartphone frame is superimposed over the scene, showing the couple in a more relaxed setting. The background is a well-lit bar with various bottles and glasses on shelves. The overall theme is social enjoyment and convenience.

Drinkies

STAR BAR

ENJOY HAPPY HOUR DEALS ANYTIME, ANYWHERE

Participating Brands: Heineken, GUINNESS, Tiger, Tiger CRYSTAL, Edelweiss

ENJOY RESPONSIBLY.

HEINEKEN Malaysia Star Bar

- With over 90 outlets available as HEINEKEN Malaysia Star Bar partners, consumers can purchase vouchers via Star Bar on the Drinkies app and redeem their favourite beers at any Star Bar outlet of their choice.
- Consumers not only get to enjoy amazing Happy Hour rates on beers all day long, but also get to earn Drinkies coins to redeem even more beers and exclusive merchandise.

Sustainability Highlights



Net Zero Carbon Emissions

Towards Healthy Watersheds

Zero Waste to Landfill

Diversity, Equity & Inclusion

Positive Social Impact

Advocate Responsible Consumption

Environmental Sustainability: Towards Net Zero



WELCOME TO THE GREEN COMMUNITY

We would like to thank you

HEINEKEN MALAYSIA BERHAD

SUNGAI WAY BREWERY
LOT 1135, JLN KLANG LAMA BT 9
46710 PETALING JAYA
SELANGOR
(Contract Account No: 220117147108)

For subscribing to 1500 Blocks (1,500,000 kWh)
of electricity generated from renewable
energy sources
Commencement Date: 18th March 2022



100%

Renewable Electricity since
Mar 2022

Reduced Carbon Emissions at
our Production by

49%

vs 2018 baseline

Zero Waste

to landfill since 2017

Renewed Commitment to Protect Water Sources



Water Efficiency

improved by

20%

vs 2014 baseline

Water Circularity

100%

Wastewater

treated beyond DOE standards

Water Balancing

Target:

1.5 litres per litre

of water used in our products

Achievement:

203%

of targeted volume

By VIJENTHI NAIR
vijenthi@thestar.com.my

HEINEKEN Malaysia Berhad renewed its commitment to conserve water resources through the launch of its Towards Healthy Watersheds 2030 programme. Its managing director Roland Bala said he was proud of the company's initiatives and achievements since the start of its

Brewer renews pledge to protect water resources

RM6mil pumped into water stewardship programme

during the event at the Sungai Penchala Information Centre in Petaling Jaya.

Roland said as a brewery, the company believed it was necessary to be responsible in order to be sustainable.

That's why we are taking a proactive approach to work with stakeholders and collaborate on ways to ensure the long-term availability of our water resources.

Today, we announce our renewed commitment to increase water efficiency, improve water circularity and continue to balance the water in our products as we have done since 2020," he said.

Besides water, we also have ambitious targets to reach net-zero carbon emissions in production by 2030 and the wider value chain by 2040.

"Last year, we transitioned to 100% renewable energy through the Malaysian Renewable Energy Certificate (mREC) programme.

"This year, we will launch solar energy generation on-site at our Sungai Way brewery.

"In terms of waste management, we have achieved zero waste to the landfill since 2017.

"We have a roadmap in place, and we are committed to taking the necessary actions to achieve our 2030 goals," he said.

Also present were Heineken N.V. corporate affairs chief and transformation officer Stacey Tank, GEC director Faizal Parish and its river care programme manager Dr K. Kalithasan.

Heineken Malaysia corporate affairs and legal director Renuka Indrarajah said there was real danger if efforts were not taken to preserve water sources now, as it has

been predicted there would be a 40% shortfall in fresh water supply in 10 years.

On environmental responsibility, Renuka said Heineken Malaysia made a commitment towards achieving healthy watersheds.

Among others, she said the company was proud of its overachievement in water balance.

"We have a target to balance 1.5 litres of water for every 1 litre of water in our products.

"In 2020, we achieved 267% of our water-balancing target and 289% in 2021.

"This was achieved through science-based water stewardship initiatives focusing on the continued rehabilitation and conservation of Sungai Way, Sungai Penchala and Sungai Selangor.

"We are committed to continue expanding our efforts, in partnership with like-minded stakeholders

including fellow corporates, non-governmental organisations, local communities as well as relevant authorities," she said.

Renuka also spoke about some of Heineken's completed projects towards healthy watersheds.

"In Raja Musa Forest Reserve (Hulu Selangor), we built a 300m clay dyke to help conserve water in the peatland and prevent fires.

"The project conserves 136 million cubic metres of water every year.

"We also reforested 2ha of a forest by replanting some 600 trees to increase soil-water retention, prevent further degradation of the peat and prevent peatland fires.

"We have also introduced rainwater-harvesting initiatives in the local communities by building 36 such systems across the country.

"In some communities, we have also constructed community gardens, whereby the water collected can be used to water the plants," she added.



Social Sustainability

Our life saving commitments
I commit to always...

- Be sober and free from drugs
- Two hands on the wheel, mind on driving
- Wear a seatbelt or full-face helmet
- Drive at the correct speed
- Safe use of vehicles and equipment
- Follow lock out tag out procedures
- Follow CO₂ procedures
- Handle dangerous substances safely
- Follow confined space procedures
- Follow working at height procedures
- Follow hot work procedures
- Follow forklift truck procedures

Golden principle



Zero

Fatalities and lost time injuries

43%

women in the Board of Directors

63%

women in the Management Team

94%

Local suppliers

Making a Positive Social Impact



Tiger Sin Chew Chinese Education
Charity Concert

RM20 mil

raised for **8 schools**

RM380 mil

raised since 1994

HEINEKEN Cares
Community Food Aid Programme

600,000

meals for vulnerable communities



Responsible Consumption



>10%

Heineken® Media Spend

When You Drive,
Never Drink Campaign

3,000

Consumer pledges

100

Industry pledges

10,000

E-hailing promo codes during
year-end festive campaign



FY 2022 Financial Performance



Full Year 2022 Financial Highlights

Revenue

Profit Before Tax

Net Profit

**Q4 2022 vs
Q4 2021**

(3 months ended 31 Dec)

+ 14%
from RM692 million
to **RM792 million**

+ 24%
from RM124 million
to **RM154 million**

+ 9%
from RM96 million
to **RM105 million**

**Full Year 2022 vs
Full Year 2021**

(12 months ended 31 Dec)

+ 44%
from RM1.98 billion
to **RM2.86 billion**

+ 85%
from RM321 million
to **RM595 million**

+ 68%
from RM246 million
to **RM413 million**

Increase in sales volume following the reopening of international borders, increased on-trade consumption, as well as a positive mix impact from premium portfolio growth.

Lower comparison vs 2021 as our brewery was closed for 11 weeks due to the MCO.

Q4 revenue growth boosted by increased on-trade consumption and an earlier CNY 2023 festive period.

PBT increase due to sustainable revenue growth as well as efficiency gains through cost and value initiatives

Comparison against pre-pandemic levels

**Full Year 2022 vs
Full Year 2019**
(12 months ended 31 Dec)

Revenue

+ 23%
from RM2.32 billion
to **RM2.86 billion**

Profit Before Tax

+ 44%
from RM412 million
to **RM595 million**

Net Profit

+ 32%
from RM313 million
to **RM413 million**

The Group's Full Year 2022 performance has accelerated above 2019 levels.

The Group remains cautious due to:

- Ongoing supply disruptions
- Inflationary pressures impacting disposable incomes
- Fear of global recessions; and
- Ongoing geopolitical tensions

Proposed Dividend

**Single Tier
Interim Dividend**
(Paid in November 2022)

40 sen
per stock unit

**Single Tier
Final Dividend**
(Subject to approval of the
shareholders at the forthcoming
AGM – to be paid in July 2023)

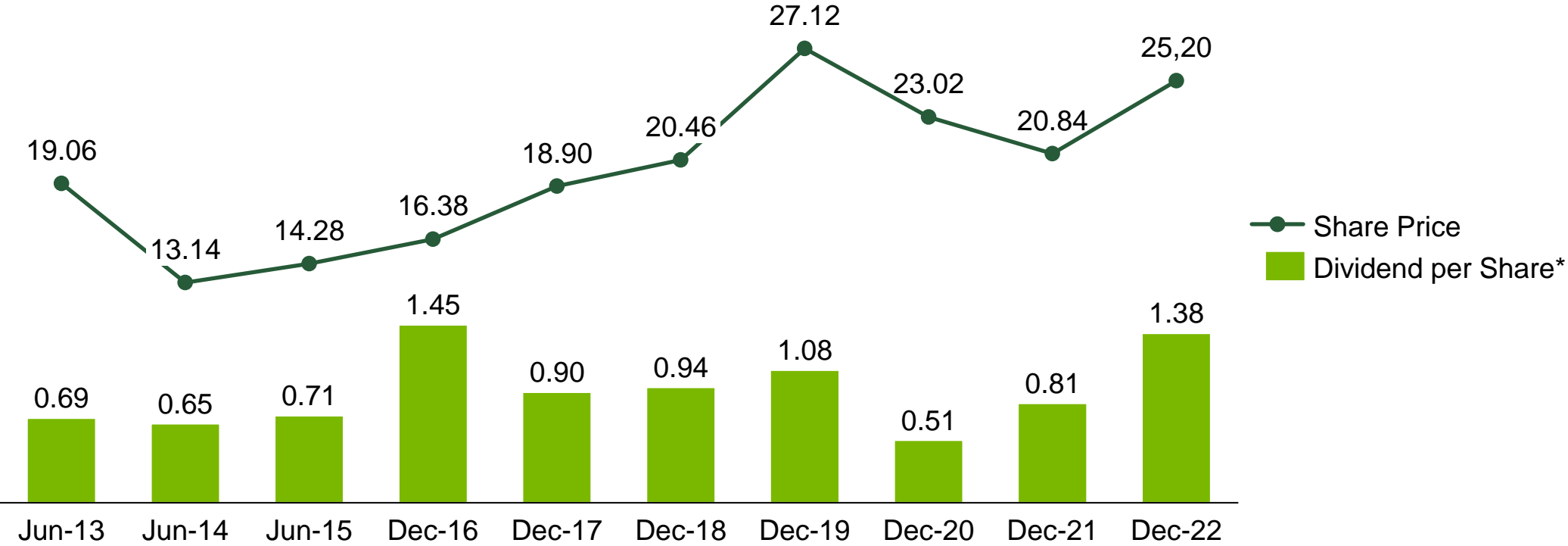
98 sen
per stock unit

Total Dividend Payout for FY22
138 sen
per stock unit

Comparison: FY2021
81 sen per stock unit

Dividend Payout
representing
101%
of Full Year 2022
Profit After Tax

Creating Sustainable Shareholder Value



Earnings per Share
Dividend* as % of
Net Profit

0.72	0.66	0.71	1.41	0.89	0.94	1.04	0.51	0.81	1.37
96%	98%	100%	103%	101%	101%	104%	100%	100%	101%

Our 2022 Performance



SINGLE TIER INTERIM
DIVIDEND OF

40 sen

per stock unit which was paid on
11 November 2022

PROPOSED SINGLE TIER
FINAL DIVIDEND OF

98 sen

per stock unit
payable on 20 July 2023

GROUP REVENUE

↑ 44%
RM2.86 billion
(FY2021: RM1.98 billion)

GROUP PROFIT BEFORE TAX (PBT)

↑ 85%
RM595 million
(FY2021: RM321 million)

CONTRIBUTED

**RM1.6
billion**
in taxes to the Government



1Q 2023 Financial Performance



Q1 2023 Results

Q1 2023 vs
Q1 2022

(3 months ended 31 Mar)

Revenue

+ 6%

from RM698 million
to **RM740 million**

Profit Before Tax

- 7%

from RM155 million
to **RM145 million**

Net Profit

- 3%

from RM113 million
to **RM110 million**

Group revenue increased by 6% driven by better sales mix as our premium portfolio grew, led by Heineken®, as well as price increase as a result of inflationary pressure on cost.

Group PBT declined by 7% primarily due to the relatively higher promotional and marketing expenses as the Group continued to invest behind its brands.

Comparatively, the marketing spend in Q1 2022 was lower as the Group was still recovering from the impact of the pandemic.

Outlook



Challenges

- Input cost inflation - spillover effects into 2023
- Recessionary pressures
- Weakening Ringgit
- Geopolitical tensions

Opportunities

- Revival of international tourism
- Positive local employment outlook
- Renewed political stability with Unity Government
- Deliver our EverGreen strategy to future-proof our business



DRIVE SUPERIOR GROWTH

With consumer centricity, shape & lead premium category. Continue investing behind our brands.

FUND THE GROWTH

Cost & Value to drive efficiency, enabling reinvestments into our brands and business.

RAISE THE BAR ON SUSTAINABILITY & RESPONSIBILITY

Deliver on our ambition to become net zero carbon in production by 2030 and the full value chain by 2040.

BECOME THE BEST CONNECTED BREWER

Accelerate digital & technology to create a Unified Customer Ecosystem with a customer & consumer-first approach.

UNLOCK THE FULL POTENTIAL OF OUR PEOPLE

Promote a high-performance culture that boosts our strategic capabilities.

APPRECIATION

DATIN LINDA NGIAM

for 10 years of contributions



- Long serving Independent Non-Executive Director.
- Thank you for all your valuable guidance and insights provided to the Board and Management.

Thank You & Best Wishes!

WELCOME

CARMEN CHUA

Independent Non-Executive Director

Malaysian | Age 40

Bachelor of Science in Economics with First Class Honours

London School of Economics and Political Science, United Kingdom



- Chief Executive Officer of ONE IFC Sdn Bhd, the developer of St. Regis Hotel and Residences Kuala Lumpur.
- Managing Director of ONE KLCC Sdn Bhd, the developer of ONE KL Condominium.
- Sits on the Board of various companies within the CMY Capital Group.
- Trustee of Amanah Warisan Negara, a National Public Trust founded by Khazanah Nasional Berhad with the objectives of undertaking projects involving the rejuvenation, rehabilitation and/or operations of selected public spaces together with heritage assets of national significance.
- Former member of the Blue Ocean Corporate Council whose initiatives include the MyApprenticeship programme, offering students the opportunity for hands-on training and employment post-graduation.
- Also served as a Trustee of Yayasan Hijau focusing on promoting, developing and improving education on energy efficiency, green technology applications and green lifestyle practices
- Former Director of the Kuala Lumpur Business Club.

