



HEINEKEN MALAYSIA BERHAD

(Company No: 5350-X)

MINUTES OF THE 55TH ANNUAL GENERAL MEETING (“AGM”) OF HEINEKEN MALAYSIA BERHAD (“HEINEKEN MALAYSIA” OR “THE COMPANY”) HELD AT GRAND BALLROOM, CONNEXION @ NEXUS, NO. 7 JALAN KERINCHI, BANGSAR SOUTH CITY, 59200 KUALA LUMPUR ON FRIDAY, 24 MAY 2019

Present

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| Dato’ Sri Idris Jala | – | Chairman |
| Mr Roland Bala | – | Managing Director |
| Mr Martin Giles Manen | – | Senior Independent Director |
| Datin Ngiam Pick Ngoh, Linda | – | Director |
| Mr Kenneth Choo Tay Sian | – | Director (Also Proxy for GAPL Pte Ltd) |
| Ms Yu Yu-Ping | – | Director |

Absent with Apologies

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| Ms Lim Rern Ming, Geraldine | – | Director |
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In Attendance

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|------------------------|---|-------------------|
| Mr Szilard Voros | – | Finance Director |
| Ms Rachel Ng Sow Hoong | – | Company Secretary |

By Invitation

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| Mr Jimmy Lai Can Yiew | – | Audit Partner of Deloitte PLT |
| Ms Lilian Low | – | Associate Director of Tricor Investor & Issuing House Services Sdn Bhd |
| Mr Chuah Poo Sian | – | Director of Coopers Professional Scrutineers Sdn Bhd |

The attendance of the Directors, Company Secretary, Management Team, Members, Proxies and Corporate Representatives is as per attendance list.

INTRODUCTION

Dato’ Sri Chairman welcomed all present to the meeting and he introduced his fellow Board members and officers on the stage as well as representatives from the external audit firm, share registrar and the independent scrutineers appointed for this meeting. He conveyed the apologies from Ms Lim Rern Ming, Geraldine, who at the very last minute was not able to attend this meeting.

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The Chairman informed the meeting that as of the commencement of this meeting, there were approximately 1,700 members and proxies registered for this meeting. With that, he confirmed the presence of a requisite quorum for this meeting and he called the meeting to order at 9.35 a.m.

PRESENTATION BY THE MANAGING DIRECTOR

Dato' Sri Chairman invited Mr Roland Bala, the Managing Director, to present to the meeting some insights on the Group's performance for the financial year 2018.

The Managing Director presented an overview of the Group's key activities and performance covering the following aspects for the financial year 2018, the Group outlook and priorities for 2019 as well as the financial performance for the first quarter ended 31 March 2019:

- Initiatives undertaken to drive employee awareness on safety
- Introduction of new Management Team
- Changes in external environment and their impact to the Group's business
- Financial performance and commercial highlights
- Drinkies.my, a B2C e-commerce platform rolled out by the Company since 2018, and a demonstration on how to order beer via the Drinkies mobile application
- Initiatives undertaken under the Brewing a Better World strategy

NOTICE

With the consent of the shareholders present, the Notice of the meeting was taken as read.

Dato' Sri Chairman informed the meeting that:

- Pursuant to the Bursa Malaysia's Main Market Listing Requirements, all resolutions put to vote at the 55th AGM shall be voted by poll;
- The polling process will be facilitated by Tricor Investor and Issuing House Services Sdn Bhd, the share registrar of the Company, and the poll results will be verified by Coopers Professional Scrutineers Sdn Bhd, an independent scrutineer appointed by the Company; and that the poll voting for the resolutions would commence upon completion of the deliberation of all items to be transacted at the 55th AGM.

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

The Audited Financial Statements for the financial year ended 31 December 2018 were laid in accordance with Section 340(1) of the Companies Act 2016.

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Dato' Sri Chairman informed the meeting that despite the challenging market environment, HEINEKEN Malaysia has managed to deliver commendable results and continued to improve operational efficiencies, strengthen market visibility as well as balance social and environmental obligations with sound financial performance over the past 12 months. He referred the meeting to the Management Discussion and Analysis and the Financial Highlights as set out in the Annual Report, for further details on the Group's performance.

Dato' Sri Chairman informed the meeting that the Company received some questions from the Minority Shareholder Watch Group ("MSWG") for this meeting. He presented the list of questions from MSWG and the Company's response to the questions, as attached.

At this juncture, the order made by the Managing Director via Drinkies.my earlier arrived at the meeting hall. The Managing Director received his order and he urged those present to purchase the Company's product via the Drinkies.my mobile application using the promotion code offered by the Company.

The meeting proceeded to the question and answer session. Dato' Sri Chairman invited questions and feedback from the floor. Questions and comments on various areas were raised and addressed at the meeting, among others, they include:

- a) Impact of the application of Issue Committee Interpretation 23 "Uncertainty over Income Tax Payments" over the accounting treatment of the reported contingent liability in respect of the additional excise duty and sales tax totalling RM56 million demanded by the Royal Malaysian Customs Department.
- b) Opportunity for export market was limited to selected markets within the purview of the HEINEKEN Global.
- c) Sales related costs, taxes and duties embedded in the reported revenue.
- d) Reasons for lower distribution, marketing and selling expenses and increased in trade payables and accrued expenses for 2018.
- e) Suggestion for the Company to explore the opportunity for "Tuak", a popular alcoholic drink in East Malaysia.
- f) Recent trends on the Company's share price, dividend distribution and investors' sentiment.
- g) Risk of increasing cost of aluminium and suggestion for the Company to explore alternative packaging material to drive cost efficiency.
- h) Measures undertaken by the Company to address illicit trade of alcohol products.
- i) Absence of Ms Lim Rern Ming, Geraldine at this AGM.
- j) Impact of sugar tax which will take effect from July 2019 onwards.
- k) Business strategy for e-commerce and low and no alcohol segment.
- l) Considerations for HEINEKEN sponsorship for international events such as F1.

Dato' Sri Chairman concluded the questions and answers session and proceeded to the next agenda item.

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Minutes of 55th Annual General Meeting held on 24 May 2019**ORDINARY RESOLUTION 1****PAYMENT OF FINAL DIVIDEND**

Dato' Sri Chairman informed the meeting that the Company has been paying consistent dividend to its shareholders over the years and that the Company remains committed in maximising its shareholders' returns. The proposed single tier final dividend of 54 sen per stock unit was an addition to the interim dividend of 40 sen per stock unit which had been paid during the financial year 2018. If approved, total dividend payout for the year will amount to 94 sen per stock unit.

ORDINARY RESOLUTIONS 2, 3, 4 AND 5**RE-ELECTION OF RETIRING DIRECTORS**

Dato' Sri Chairman informed the meeting that the following Directors retired at this meeting and that they were eligible for re-election and have offered themselves for re-election as Directors of the Company:

Retired by rotation pursuant to Article 84 of the Company's Constitution

- Mr Martin Giles Manen (Resolution 2)
- Mr Choo Tay Sian, Kenneth (Resolution 3)

Retired pursuant to Article 91 of the Company's Constitution

- Mr Roland Bala (Resolution 4)
- Ms Yu Yu-Ping (Resolution 5)

He informed the meeting that Mr Roland Bala, who comes with an impeccable track record of growing the HEINEKEN business in Indochina, was appointed as the new Managing Director, replacing Mr Hans Essaadi on 1 September 2018 and that Ms Yu Yu-Ping joined the Board on 10 December 2018 replacing Mr Yong Weng Hong who has taken up a Board position in another HEINEKEN operating company in Indonesia. Ms Yu Yu-Ping brings with her years of experience, which will greatly enrich the collective expertise of the Board.

On behalf of the Board and the Company, Dato' Sri Chairman expressed his deep appreciation to Mr Hans Essaadi and Mr Yong Weng Hong for their contributions to the Company over the past years.

Dato' Sri Chairman informed the meeting that as part of good corporate governance practices, the Board had conducted an assessment on each of the retiring Directors. Based on the assessment, the Board found that they have demonstrated their commitment to their role and will continue to be effective and valuable members of the Board. The Board recommended that Mr Martin Giles Manen, Mr Choo Tay Sien (Kenneth), Mr Roland Bala and Ms Yu Yu-Ping be re-elected to the Board.

The proposed re-election of the above Directors will be voted individually, in a separate motion in accordance with Section 203 of the Companies Act 2016.

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Minutes of 55th Annual General Meeting held on 24 May 2019**ORDINARY RESOLUTION 6****DIRECTORS' FEES AND BENEFITS**

Shareholders' approval was sought for the payment of Directors' fees and benefits up to an amount of RM700,000 to the non-executive Directors of the Company for the financial year 2019.

There was no change to the existing remuneration package for the non-executive Directors as approved by the shareholders on 25 November 2015. The details of the Directors' remuneration package were disclosed on page 75 of the Annual Report. The proposed sum of RM700,000 was calculated based on the current composition of the Board and the Board Committees and the number of meetings scheduled for the year.

The proposed payment, if approved, will be made to the Non-Executive Directors of the Company during the year. The Board was of the view that it was fair and reasonable for the Non-Executive Directors to be paid during the year in which they have discharged their responsibilities and rendered their services to the Company.

ORDINARY RESOLUTION 7**RE-APPOINTMENT OF AUDITORS**

Shareholders' approval was sought for the proposed re-appointment of Messrs Deloitte PLT as the auditors of the Company to hold office until the conclusion of the next AGM at a remuneration to be determined by the Directors.

ORDINARY RESOLUTION 8**CONTINUING IN OFFICE AS INDEPENDENT DIRECTOR**

Shareholders' approval was sought for the proposed re-appointment of Mr Martin Giles Manen to continue to hold office as Independent Director of the Company until the conclusion of the next AGM.

Dato' Sri Chairman informed the meeting that Mr Martin Giles Manen has served as an Independent Directors of the Company for a cumulative term of more than 9 years.

Mr Martin Giles Manen has met the independence criteria and fulfilled the independence definition prescribed under the Bursa Malaysia's Main Market Listing Requirements. The Board had conducted an assessment on the contribution of Mr Martin Giles Manen and found that he has discharged his role as Chairman of the Audit & Risk Management Committee with due care and diligence and has carried out his professional duties as an Independent Director in the interest of the Company and shareholders. The Board strongly recommended that he continues as Independent Director of the Company.

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Dato' Sri Chairman referred the meeting to the details of the recurrent related party transactions as set out in the Circular to Shareholders dated 25 April 2019 and the proposed motion set out in the Notice of 55th AGM.

Dato' Sri Chairman informed the meeting that the related parties involved in the recurrent related party transactions were the HEINEKEN Group of Companies which include GAPL Pte Ltd, a major shareholder of the Company. GAPL Pte Ltd and parties related to them shall abstain from voting on the proposed motion approving the Proposed Shareholders' Mandate. Some of the Directors, namely Mr Choo Tay Sian (Kenneth), Ms Lim Rern Ming (Geraldine), Mr Roland Bala and Ms Yu Yu-Ping being the nominees of GAPL Pte Ltd, were deemed interested in the Proposed Shareholders' Mandate. They have abstained from all deliberations at all Board Meetings and shall continue to abstain on this matter.

The Proposed Shareholders' Mandate will enable HEINEKEN Malaysia and its subsidiaries to enter into the recurrent related party transactions with companies within the HEINEKEN Group in the ordinary course of business as and when required.

POLL VOTING

Dato' Sri Chairman announced that the meeting was to proceed to the poll voting on all the above agenda items. He declared that the registration for attendance at the 55th AGM be closed at 11.15 a.m.

Ms Rachel Chua from Tricor Investor & Issuing House Services Sdn Bhd, the Poll Administrator, briefed the meeting on the procedures for the conduct of poll using the Tricor e-vote system. A tutorial video demonstrating the e-vote process was played at the meeting.

At this juncture, Ms Lim Cian Yai, the representative from MSWG, raised the following questions concerning the proposed re-appointment of Messrs Deloitte PLT as Auditors of the Company given that the firm was recently reprimanded by the Securities Commission for breaches committed in relation to Sukuk or Islamic bond issued by a subsidiary of 1 Malaysia Development Berhad ("1MDB"):

- (i) Did the Audit & Risk Management Committee of the Company take into consideration the above matter when assessing the proposed re-appointment of Messrs Deloitte PLT?
- (ii) What is the view of the Board on the above matter?

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In response to the above questions, Dato' Sri Chairman informed the meeting that Messrs Deloitte PLT are the current auditors of HEINEKEN Group of Companies. Whilst investigation is being carried out by relevant authorities on the 1MDB and various related cases and in upholding the principles of natural justice, the Board was of the view that there were no compelling reasons for the Company to change auditors for the time being. Nevertheless, the Board will continue to review the developments of the above matter.

Shareholders and proxies were then directed to the e-vote counters and they were requested to return to the meeting hall by 11.45 am.

ANNOUNCEMENT OF POLL RESULTS

The meeting recommenced at 11.50 am for announcement of the poll results. The details of the voting, as attached, were presented at the meeting.

Based on the polling results verified by Coopers Professional Scrutineers Sdn Bhd, Dato' Sri Chairman declared that the following resolutions proposed at the 55th AGM were carried:

Ordinary Resolution 1 – Payment of Final Dividend

That a single tier final dividend of 54 sen per stock unit be and is hereby declared for the financial year ended 31 December 2018, payable on 19 July 2019 to stockholders registered at the close of business on 5 July 2019.

Ordinary Resolution 2 – Re-election of Mr Martin Giles Manen as Director

That Mr Martin Giles Manen, a Director retiring by rotation pursuant to Article 84 of the Company's Constitution, be and is hereby re-elected a Director of the Company.

Ordinary Resolution 3 – Re-election of Mr Choo Tay Sien, Kenneth as Director

That Mr Choo Tay Sien, Kenneth, a Director retiring by rotation pursuant to Article 84 of the Company's Constitution, be and is hereby re-elected a Director of the Company.

Ordinary Resolution 4 – Re-election of Mr Roland Bala as Director

That Mr Roland Bala, a Director retiring pursuant to Article 91 of the Company's Constitution, be and is hereby re-elected a Director of the Company.

Ordinary Resolution 5 – Re-election of Ms Yu Yu-Ping as Director

That Ms Yu Yu-Ping, a Director retiring pursuant to Article 91 of the Company's Constitution, be and is hereby re-elected a Director of the Company.

Ordinary Resolution 6 – Payment of Directors' Fee and Benefits to Non-Executive Directors

That the payment of Directors' fees and benefits up to an amount of RM700,000 to the Non-Executive Directors of the Company for the financial year 2019 be and is hereby approved.

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That Messrs Deloitte PLT be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next AGM at a remuneration to be determined by the Directors.

Ordinary Resolution 8 – Re-appointment of Mr Martin Giles Manen as Independent Non-Executive Director

That Mr Martin Giles Manen, having served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office until the conclusion of the next AGM of the Company.

Ordinary Resolution 9 – Shareholders' Mandate on recurrent related party transactions

That, pursuant to Paragraph 10.09 of the Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiaries (the Group) be and are hereby authorised to enter into any of the recurrent transactions of a revenue or trading nature as set out in the Circular to Shareholders dated 25 April 2019 with the related parties mentioned therein which are necessary for the Group's day-to-day operations, subject further to the following:

- (i) the transactions are in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company; and
- (ii) the aggregate value of the transactions of the Proposed Shareholders' Mandate conducted during the financial year will be disclosed in the Annual Report for the said financial year,

And that such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the Meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Clause 340(2) of the Companies Act, 2016 (the Act) (but shall not extend to such extensions as may be allowed pursuant to Clause 340(4) of the Act); or
- (iii) revoked or varied by the Company in a general meeting,

whichever is the earlier;

And that the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate.

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CLOSE OF MEETING

There being no other business to be transacted, Dato' Sri Chairman concluded the meeting at 12.05 noon. He thanked the shareholders for their presence and support to the Company throughout the years.

SIGNED AS A CORRECT RECORD

DATO' SRI IDRIS JALA
CHAIRMAN

Date :