



52nd & 53rd

ANNUAL GENERAL MEETING

13th APRIL 2017



ANNUAL GENERAL MEETING

HANS ESSAADI
MANAGING DIRECTOR
HEINEKEN MALAYSIA BERHAD

Thursday, 13th April 2017

A NEW ERA

ACQUISITION
7th Oct 2015

INTEGRATION
From Nov 2015

**FINANCIAL
YEAR CHANGE**
25th Nov 2015

NAME CHANGE
21st Apr 2016



G·A·B[®]



 **HEINEKEN**
MALAYSIA

GOING FROM GREAT TO GREATER...



PEOPLE • PLANET • PERFORMANCE

With sustainability at the core of our business



PEOPLE



PLANET



PERFORMANCE

PEOPLE



21,000

training hours with an investment of over RM1.5 million



HEALTH & SAFETY

HEINEKEN Life Saving Rules



CULTURAL DIVERSITY

Nationalities



42%

GENDER DIVERSITY

Female Senior Managers



TALENT DEVELOPMENT

Short Term Assignments abroad
Asia Pacific Graduate Programme

PLANET



Invested
30%

of Heineken® brand's media budget on a responsible consumption campaign at the Formula 1® Petronas Malaysia Grand Prix

60



outlets partnered to Promote Drink Sensibly tips



+
215,000

consumers engaged through Drink Sensibly social media campaigns

PLANET

+ **RM1.6 million**



on growing communities through the **GAB FOUNDATION**

5 NEW COMMUNITIES

engaged in the Sungai Penchala **W.A.T.E.R PROJECT**



4.7%

Reduction in Water Usage vs 2015



5.3%

Reduction in CO₂ Emissions vs 2015



140

Green Refrigerators purchased

PERFORMANCE

18 months ended 31st December 2016

REVENUE

+ 4.9%

from RM2,678 million
to RM2,810 million



PROFIT BEFORE TAX

+ 11.1%

from RM495 million
to RM549 million



OPERATING CASH (Post-capex)

+ 2.6%

from RM476 million
to RM489 million

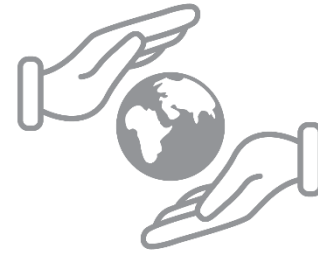


EXTERNAL CIRCUMSTANCES

Global Factors



Global Oil
Prices



Shift in
Balance of Power

EXTERNAL CIRCUMSTANCES

Challenging Domestic Environment



Contraband



Excise Duty
Increase



Slowdown in
Tourism



Devaluation of
Ringgit



SOFT CONSUMER SENTIMENT

EXCELLENT DIVIDEND PAY OUT

Commendable Results despite Challenging Environment

INTERIM & SPECIAL DIVIDENDS

(Paid in April 2016)

50 *sen*

2ND INTERIM DIVIDEND

(Paid in October 2016)

35 *sen*

FINAL DIVIDEND PROPOSED

(Payable in May 2017)

60 *sen*

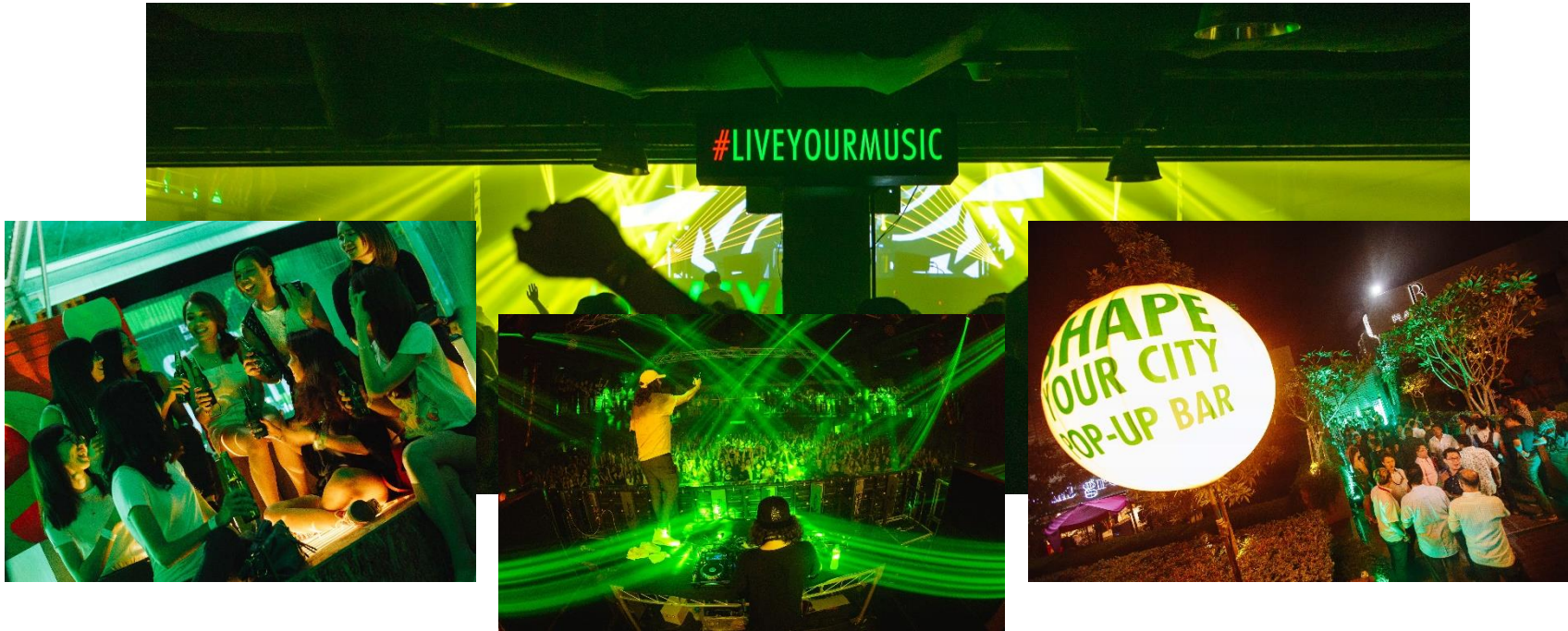
TOTAL DIVIDEND IN FY16

145 *sen*

Dividend for FY16 represents 103% of FY16's net profit.

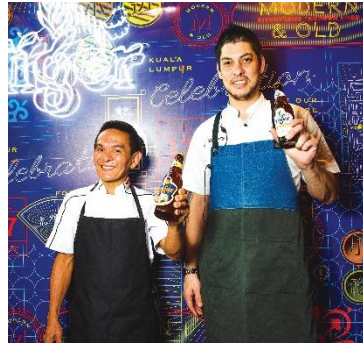
OUR CORE BRANDS PERFORMED WELL

HEINEKEN® shaped the market with progressive and innovative experiences



OUR CORE BRANDS PERFORMED WELL

TIGER uncaged Malaysia as we continued roaring ahead



OUR CORE BRANDS PERFORMED WELL

GUINNESS inspired a bold performance that was truly made of more



INNOVATION

Penetration driven by a consumer-inspired approach



OUTLOOK

Environment expected to remain challenging in FY17



Global & Domestic
Economic
Uncertainties



Increase in
Regulatory
Requirements



Rising Demand
for Contraband



Cautious Consumer
Spending

STRATEGY

HEINEKEN Malaysia will continue to grow sustainably



Leveraging on an
Integrated Global
Supply Chain



Continue
Strengthening our
Iconic Portfolio



Investing in and
Developing our
People



Brewing A
Better World



52ND AGM

Thursday, 13th April 2017

ORDINARY RESOLUTION 1

To receive the Audited Financial Statements for the 18 months financial period ended 31st December 2016 together with the Directors and Auditors' Reports thereon.

Please refer to pages 104 to 154 of the Annual Report.

QUESTIONS RAISED BY MINORITY SHAREHOLDER WATCHDOG GROUP

STRATEGIC & FINANCIAL MATTERS

1. As the Group's business is affected by foreign exchange rate fluctuations due to imported materials from overseas, to what extent has the Group carried out the hedging activities? How effective are these hedging activities.

QUESTIONS RAISED BY MINORITY SHAREHOLDER WATCHDOG GROUP

STRATEGIC & FINANCIAL MATTERS

2. Please enlighten shareholders on the negative implications on the Group's performance amid the enforcement of the Price Control and Anti-Profiteering Regulations 2016 and the significant hike in beer duties, ranging from 10% to 99%, effective 1st March 2016?

QUESTIONS RAISED BY MINORITY SHAREHOLDER WATCHDOG GROUP

STRATEGIC & FINANCIAL MATTERS

3. The receivables, deposits and prepayments had substantially increased from RM296.3 million to RM448.0 million in the financial period ended 2016 (FPE 2016). We also noted the cash flows change in receivables, deposits and prepayments in FPE 2016 were significantly higher than the cash flows change in financial year ended 2015. Please explain.

QUESTIONS RAISED BY MINORITY SHAREHOLDER WATCHDOG GROUP

CORPORATE GOVERNANCE

4. Under Section 334(3) of the Companies Act 2016, a proxy form should be deposited at the registered office of the Company not less than 24 hours before the time appointed for taking of the poll. However, we noted that the Company's Form of Proxy stated that the Form of Proxy must be deposited at the Share Registrar's office not less than 48 hours before the time for holding the meeting or any adjournment thereof. Please explain.

Q & A SESSION

ORDINARY RESOLUTION 2

To approve the payment of a final single tier dividend of 60 sen per stock unit in respect of the 18 months financial period ended 31st December 2016.

Ex-Date : **21st April 2017**

Entitlement Date : **26th April 2017**

Payment Date : **16th May 2017**

If approved, total dividend payout for the 18 months period will amount to 145 sen per stock unit.

ORDINARY RESOLUTION 3 & 4

To re-elect the following Directors who retire by rotation pursuant to Article 89 of the Company's Constitution as a Director of the Company:

Resolution 3 : Mr. Martin Giles Manen

Resolution 4 : Mr. Choo Tay Sian, Kenneth

MARTIN GILES MANEN

SENIOR INDEPENDENT DIRECTOR Malaysian, age 62

Appointed on 29th August 2008

- Started his career with KPMG, served 11 years in Malaysia and the UK, undertaking audit, tax and business advisory assignments.
- Served more than 21 years with Sime Darby Group holding various senior positions.
- CEO of a public relations and communication consultancy firm from 2007 to 2009.
- A Chartered Accountant and member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.



CHOO TAY SIAN, KENNETH

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Singaporean, age 49

Appointed on 15^h August 2013

- Managing Director of HEINEKEN Asia Pacific responsible for the growth and development of its operating companies within the Asia Pacific region.
- Played a key leadership role during HEINEKEN's acquisition of Asia Pacific Breweries (APB) and the subsequent integration of APB.
- Held various senior positions within the APB Group from 2013 to 2014.
- A Chartered Accountant, obtained his Bachelor of Accountancy Degree from Nanyang Technological University, Singapore and completed the Advanced Management Programme in Harvard Business School.



ORDINARY RESOLUTION 5

To approve the Directors' fees and benefits amounting to RM1,022,957 to the non-executive Directors who served during the 18 months period ended 31st December 2016.

REMUNERATION	18 months period ended 31st December 2016
Fees & Chairman allowance	904,000
Meeting allowance	100,800
Benefits in kind	18,157
TOTAL	1,022,957

Benefits in kind: Provision of a driver

ORDINARY RESOLUTION 6

Proposed appointment of Messrs Deloitte PLT as auditors of the Company.

The proposed appointment is nominated by GAPL Pte Ltd, a major shareholder of the Company. The letter of nomination is set out as Appendix A to the Notice of 52nd AGM.

POLL VOTING

POLL ADMINISTRATOR

- Tricor Investor & Issuing House Services Sdn Bhd

INDEPENDENT SCRUTINEER

- Coopers Professional Scrutineers Sdn Bhd



53RD AGM

Thursday, 13th April 2017

ORDINARY RESOLUTION 1

To re-elect Dato' Sri Idris Jala who retires pursuant to Article 96 of the Company's Constitution as a Director of the Company.

DATO' SRI IDRIS JALA

CHAIRMAN, INDEPENDENT DIRECTOR Malaysian, age 58

Appointed on 1st January 2017

- President & CEO of PEMANDU Associates and Advisor to the Prime Minister of Malaysia on the National Transformation Programme.
- Minister in the Prime Minister's Department from 2009 to 2015, completing the two terms of Senatorship.
- Prior to his Government stint, he was CEO at Malaysia Airlines (MAS) for three years.
- Before MAS, he spent 23 years at Shell, rising up the ranks to hold senior positions.
- Holds a Masters Degree in Industrial Relations and a Bachelor's Degree in Development Studies and Management.



ORDINARY RESOLUTION 2 & 3

To re-elect the following Directors who retire by rotation pursuant to Article 89 of the Company's Constitution as a Director of the Company:

Resolution 2 : Mr. Yong Weng Hong

Resolution 3 : Mr. Frans Erik Eusman

YONG WENG HONG

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR **Singaporean, age 48**

Appointed on 18th August 2015

- Business Control Director of HEINEKEN Asia Pacific, providing business decision support, driving business performance and development people capabilities within the operating companies in Asia Pacific.
- Over 23 years of experience in Finance across Singapore listed companies, government agency and multinational companies.
- With Asia Pacific Breweries since 2001, holding various senior positions within the Group.
- Obtained his Bachelor's Degree in Accountancy from Nanyang Technological University, Singapore.



FRANS ERIK EUSMAN

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR Dutch, age 54

Appointed on 9th October 2015

- President of HEINEKEN Asia Pacific.
- Joined Heineken in 1987, worked in various finance and general management positions in Europe and Asia, which included his role as Corporate Control & Accounting Director from 2003 to 2005.
- Managing Director of HEINEKEN France from 2005-2010.
- Chief Business Service Officer of HEINEKEN N.V. from 2010 to 2015.
- A member of the Executive Committee of Heineken N.V.
- Obtained his Master in Business Administration from VU University Amsterdam, Netherlands.



ORDINARY RESOLUTION 4

To approve the payment of Directors' fees and benefits of up to RM760,000 to the non-executive Directors for the financial year 2017.

REMUNERATION

	RM
Annual fee for Non-Executive Director	75,000
Annual fee for Audit Committee member	5,000
Annual fee for Nomination & Remuneration Committee member	4,000
Annual allowance for Audit Committee Chairman	8,000
Annual allowance for Nomination & Remuneration Committee Chairman	6,000
Annual allowance for Board Chairman	100,000
Meeting allowance (per meeting attended)	1,200
Benefits in kind (estimate)	100,000

(include but not limited to products entitlement, travelling expenses, insurance, etc)

ORDINARY RESOLUTION 5

Proposed re-appointment of Messrs Deloitte PLT as auditors of the Company and to authorize the Directors to fix their remuneration.

ORDINARY RESOLUTION 6

To re-appoint Mr Martin Manen to continue to hold office as Independent Director of the Company until the conclusion of the next AGM.

The term of office of Mr Manen as Independent Director is expected to reach the 9-year mark on 28th August 2017.

MARTIN GILES MANEN

SENIOR INDEPENDENT DIRECTOR Malaysian, age 62

Appointed on 29th August 2008

- Started his career with KPMG, served 11 years in Malaysia and the UK, undertaking audit, tax and business advisory assignments.
- Served more than 21 years with Sime Darby Group holding various senior positions.
- CEO of a public relations and communication consultancy firm from 2007 to 2009.
- A Chartered Accountant and member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.



ORDINARY RESOLUTION 7

To approve the Proposed Mandate for recurrent related party transactions of a revenue or trading nature.

Details of the recurrent related party transactions are provided on page 3 of the Circular to Shareholders dated 22nd March 2017.

GAPL Pte Ltd, Mr. Hans Essaadi, Mr Kenneth Choo, Mr Yong Weng Hong and Mr Frans Eusman are nominees of GAPL Pte Ltd shall abstain from voting on this matter.

