

### Purpose

Brewing a sustainable future for our People, Business and Planet

### Ambition

To be an undisputed market leader in Volume, Revenue and Sustainability

### Values

Passion for Quality  
Enjoyment of Life  
Respect for People and for the Planet

### Leading Brewer in Malaysia

- With history dating back to 1964
- Listed on Bursa Malaysia since 1965

### Portfolio of Iconic International Brands

12 brands and 79 SKUs

### Part of the HEINEKEN Company

- 51% owned by HEINEKEN NV
- 49% by public

### Sustainability embedded

in business strategy and priority

### 1 brewery and 12 sales offices throughout Malaysia

- First in Malaysia to receive the Hazard Analysis Critical Control Point Certification from the Ministry of Health since 2002.
- Received the ISO Certification since 1995

## Key Financials

### Key Operating Results

RM million	Q2 2021	Q2 2020	Change %	H1 2021	H1 2020	Change %
Revenue	349	254	38	897	770	17
Operating profit/(loss)	33	(23)	-248	131	53	146
Taxation	8	(6)	-236	31	12	157
Profit/(Loss) after tax	25	(18)	-239	99	39	155
Net cash from operating activities	157	(4)	-3,712	247	49	410

RM million	H1 2021	H1 2020	Change %
Total assets	867	1,208	(28)
Total liabilities	573	775	(26)
Reserves	143	282	(49)
Total equity	294	433	(32)
Capex	348	350	(1)

Financial Ratios	H1 2021	H1 2020
Operating working capital % of revenue	-0.67	22.26
EBITDA margin	18.56	10.87
Return on equity	44.52	11.75
Debt to equity	1.95	1.79
Earnings per share (sen)	32.71	12.83
Net assets per share (RM)	0.97	1.43

EBITDA: Earnings before interest, tax, depreciation and amortisation

### Q2 / 2021 Key Performance

- Group revenue grew 38%, mainly driven by higher sales as businesses and consumers gradually adapted to the new normal despite the intermittent lockdowns, as compared to the corresponding quarter in 2020 when the unprecedented first nationwide lockdown was imposed.
- Group profit before tax rose significantly by 238% to RM33 million, as opposed to a pre-tax loss of RM24 million in the same quarter of 2020, mainly attributed to revenue growth driven by effective revenue management, optimization of marketing spend and on-going cost savings initiatives implemented by the Group; as well as the one-off settlement of the Customs' Bills of Demand of RM7.2 million in June 2020.
- Operating cash flow improved significantly due to better cash management during the period. Operating working capital suffered a decline due to lower inventories and receivables as a result of the temporary suspension of the brewery operations in line with the lockdown imposed by the Government in June 2021.
- Earnings per share was significantly higher mainly due to improvements in Group profit performance. Net assets per share was slightly lower at RM0.97 per share.

### Outlook

- The Covid-19 pandemic and the prolonged restrictions and lockdowns have adversely impacted the Group business performance and dampened the economy recovery in the country. For the second time in two years, we faced another prolonged lockdown and had to suspend our brewery operations from June 2021 to August 2021 due to the full movement control order ("MCO") imposed nationwide, and restrictions were imposed on F&B outlets. This has impeded the Group's ability to conduct its normal business operations, including being able to satisfy domestic market demand. While we are hopeful that the gradual reopening of the economy and the acceleration of the Immunisation Programme would foster market recovery, the continued rising of daily infection cases coupled with the uncertainties around the political landscape will affect the market sentiment and challenge the market recovery going forward.
- On challenges, we see illicit alcohol as a growing concern and our appeal to the Government is for no further excise duty increase as this will only widen the price gap between legal duty paid products and illicit products.
- Despite the negative impact from the full MCO and continued market uncertainties, we will continue our initiatives to right-size the organisation and cost base to drive productivity and efficiency across the organisation. We will also continue to invest in our brands, improve our route to consumer, accelerate our digital agenda and leverage our strong business fundamentals to win in the marketplace. Sustainability and People are also key pillars that will drive our transformation journey.
- As a priority to protect the health and safety of our employees, the Company participated in the Government's vaccination programme to enable 100% of our brewery's essential workforce are vaccinated by September 2021. As of 20 August 2021, over 80% of the Company's workers are fully vaccinated.

## Top 10 Shareholders as of 30 June 2021

Name of shareholder	Number of shares held	%
1. GAPL Pte Ltd	154,069,900	51.00
2. DB (Malaysia) Nominee (Asing) Sdn Bhd - The Bank of New York Mellon for Virtus Kar International Small-Cap Fund	9,735,140	3.22
3. Citigroup Nominees (Tempatan) Sdn Bhd – Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	8,420,880	2.79
4. HSBC Nominees (Asing) Sdn Bhd - JPMBL SA for Stichting Depository APG Emerging Markets Equity Pool	5,594,200	1.85
5. Cartaban Nominees (Asing) Sdn Bhd - SSBT Fund MNGN for Mawer Global Small Cap Fund	4,555,200	1.51
6. UOB Kay Hian Nominees (Asing) Sdn Bhd – Exempt An for UOB Kay Hian Pte Ltd (A/C Clients )	4,014,059	1.33
7. Citigroup Nominees (Tempatan) Sdn Bhd – Exempt An for AIA Berhad	3,605,100	1.19
8. Tai Tak Estates Sdn Bhd	2,156,000	0.71
9. Key Development Sdn Berhad	2,037,000	0.67
10. HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Total International Stock Index Fund	1,926,900	0.64
	196,114,379	64.91

## Analysis by Category as of 30 June 2021

	Number of shareholders	Number of shares held	%
Malaysian	11,017	76,009,894	25
Foreigner	903	226,088,106	75
Total	11,920	302,098,000	100



Home of World Class Brands  
A brand of choice for every occasion

## Sustainability

We believe in the long-term sustainability of our business. Our global sustainability strategy, Brew a Better World has had a profound influence on our business. It has driven us to innovate and collaborate to protect the environment, support local communities and make a positive contribution to society – all with the goal of supporting delivery of the UN Sustainable Development Goals (SDGs).

As a responsible and progressive organisation, we pursue an increasingly holistic approach to sustainability, focusing on the entire value chain from Barley to Bar. As we are moving into a decade in which the world must face even more complex challenges. We know we can only thrive if the planet and our communities thrive. Our BaBW 2030 ambitions are woven into the fabric of our balanced growth strategy, putting environmental, social sustainability and responsibility as our key focus areas as we write our next growth chapter.

Our ambitions and targets for this new chapter are in line with the benchmarks set by the UN Global Compact and we are determined to contribute to the UN SDGs to protect the planet, ensure prosperity and end poverty for all.

## Our Value Chain

Our sustainability strategy is aligned with HEINEKEN Global's approach. Our raw materials, mainly malted barley and hops, are imported from HEINEKEN pre-approved suppliers in Europe and our agricultural sourcing practices are aligned with the HEINEKEN Supplier Code.

In HEINEKEN Malaysia, the commitments and responsibilities begin from the brewing process and end with the consumer. We aim to report our sustainability performance annually to create transparency in our actions

## Our Focus Area

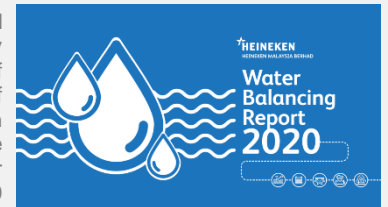


## Highlights

### ENVIRONMENTAL

#### HEINEKEN Malaysia balanced more than 100% of water used

HEINEKEN Malaysia announced a significant sustainability milestone of the achievement of balancing more than 100% of water used in its products in 2020. The achievement is in line with its Every Drop water strategy, achieving its 2030 target on Water Stewardship 10 years ahead of the commitment.



### SOCIAL

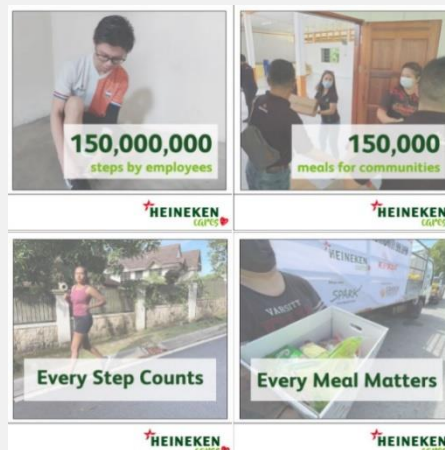
#### Safeguarding the Health of our People

HEINEKEN Malaysia is committed to ensure 100% of its employees and contractors are fully vaccinated. Essential staff for production who are required to work at the Sungei Way Brewery also routinely undergo Covid-19 screening tests, and comply with strict SOPs that enforce physical distancing and segregation of teams.



#### HEINEKEN Cares

HEINEKEN Malaysia launched its HEINEKEN Cares programme, pledging 150,000 meals to vulnerable communities across Malaysia to help mitigate the negative impacts of a prolonged lockdown.



The HEINEKEN Cares programme, which connects employee wellness with community purpose, is committed to donate 1 meal for every 1,000 steps taken by a HEINEKEN Malaysia employee from July until December 2021. With an overall target of 150 million steps by HEINEKEN Malaysia's employees collectively, this translates to an expected 150,000 meals to be channeled to communities in need.



## Commercial Activation

### New Brand Launch: Edelweiss, the premium wheat beer

In June 2021, HEINEKEN Malaysia launched the latest addition to its portfolio of award-winning beers and ciders – the premium wheat beer Edelweiss. Born in the Alps and made with all-natural mountain ingredients, Edelweiss is now available across Peninsular Malaysia in bottles, cans and on draught.

Easy-to-drink with a refreshing finish and a subtle, fruity aftertaste, Edelweiss is a smooth wheat beer with a golden hue and a natural cloudiness. It is available fresh on draught in selected bars and restaurants, using the unique and innovative Edelweiss Blade draught machine. Stylish and beautifully designed, the new Edelweiss Blade machine is a countertop draught dispenser which serves Edelweiss at a crisp Alpine temperature of 2°C.



### Heineken® - Enjoy the rivalry of UEFA Euro 2020™

Heineken®, the proud official beer partner of UEFA Euro 2020™, encouraged fans to join in the fun with its new campaign 'Enjoy the Rivalry'. After more than a year of waiting, UEFA Euro 2020™ finally took place from 12 June 2021 to 12 July 2021. Accompanying the campaign is a range of Limited-Edition Heineken® UEFA Euro 2020™ bottles and cans, featuring the flags of participating teams. Available in special combo packs at participating supermarkets, hypermarkets, convenience stores and on Drinkies, HEINEKEN Malaysia's e-Commerce platform, where exciting promotions and special bundles included Limited-Edition jerseys, football scarves and official Heineken® glassware.



### Unbox the Extraordinary with Tiger

Tiger Beer, the champion of Asian street food called on consumers to support their favourite restaurants and street food vendors through its innovative Tiger Street Food Box – featuring exclusive, bold collaborations between classic street food favourites and some of KL's hottest modern restaurants. Close to 3,000 orders were received and fulfilled, with the mouth-watering meals and Tiger Beer delivered safely right to our consumers' door. Priced at RM28 for a one-person box, or RM48 for a two-person box, each box was made to order and the pre-orders were quickly sold out within 4 days of launch.



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