

Purpose

We brew the Joy of True Togetherness to inspire a better world

Ambition

We shape and premiumise the future of beer and beyond

Values

Passion for consumers and customers
 Courage to dream and pioneer
 Care for people and planet
 Enjoyment of life

Leading Brewer in Malaysia

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

Portfolio of World-Class Brands

11 brands and 86 SKUs
 39 Putra Brand Awards since 2010

Part of the HEINEKEN Company

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

1 brewery and 13 sales offices throughout Malaysia

Brew a Better World 2030 supports the path to

Zero impact | Inclusive, fair and equitable world | Moderation and no harmful use

Key Financials

Key Operating Results

RM million	Q1 2023	Q1 2022	Change %
Revenue	740	698	6
Operating profit	146	156	-6
Taxation	35	42	-17
Profit after tax	110	113	-3
Net cash from operating activities	180	129	40

RM million	Q1 2023	Q1 2022	Change %
Total assets	1,286	1,064	21
Total liabilities	687	555	24
Reserves	447	358	25
Total equity	598	509	18
Capex	21	8	163

Financial Ratios	Q1 2023	Q1 2022
Operating working capital % of revenue	6.40	15.00
EBITDA margin	22.56	24.70
Return on equity	24.47	30.59
Debt to equity	1.15	1.09
Earnings per share (sen)	36.39	37.53
Net assets per share (RM)	1.98	1.69

EBITDA: Earnings before interest, tax, depreciation and amortisation

Key Performance Highlights

Q1 2023 Performance

- Group revenue grew by 6% versus the same quarter in 2022, 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 profit before tax ("PBT") declined by 7% compared to the same quarter last year. This decline was primarily due to 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 Covid-19 pandemic.
- Net cash from operating activities improved, mainly driven by effective working capital management.
- Higher sales and production activities have resulted in higher total assets and liabilities. The capex investment further increased the total assets of the Group in Q1.
- Overall financial ratios remain healthy, underpinned by profit growth and efficient cost management driven by the EverGreen strategy.

Outlook

- In the light of Bank Negara Malaysia's recent statement on the country's economic outlook (https://www.bnm.gov.my/-/ar2022_en_pr), the Group is prepared to contribute to domestic consumption growth by leveraging the expected improvement in tourism, labour market conditions, and Government policy measures to bolster our business performance. At the same time, we are staying vigilant against potential headwinds due to global demand volatility.
- The Group will remain adaptive to the volatile business environment and new market realities. We take a long term view to build a sustainable business and will continue to focus on delivering our EverGreen strategy to future proof our business.
- The Group remains committed to supporting and working closely with the authorities to address the issue of illicit alcohol holistically. Illegal trade and smuggling have caused the Government to incur tax revenue losses and pose health hazards to consumers with unregulated illicit alcohol.

Top 10 Shareholders as of 10 March 2023

Name of shareholder	Number of shares held	%
1. GAPL Pte Ltd	154,069,900	51.00
2. Citigroup Nominees (Tempatan) Sdn Bhd - - Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	7,315,280	2.42
3. HSBC Nominees (Asing) Sdn Bhd - JPMSE Lux for Stichting Depository APG Emerging Markets Equity Pool	6,225,200	2.06
4. Cartaban Nominees (Asing) Sdn Bhd - The Bank of New York Mellon for Virtus KAR International Small-Mid Cap Fund	4,210,900	1.39
5. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad for Hong Leong Value Fund	3,882,600	1.29
6. UOB Kay Hian Nominees (Asing) Sdn Bhd - Exempt AN for UOB Kay Hian Pte Ltd (A/C Clients)	3,879,439	1.28
7. Citigroup Nominees (Tempatan) Sdn Bhd - Exempt AN for AIA Bhd	2,318,100	0.77
8. Tai Tak Estates Sdn Bhd	2,156,000	0.71
9. Key Development Sdn Berhad	2,037,000	0.67
10. ChinChoo Investment Sdn Berhad	1,865,000	0.62
	187,959,419	62.21

Analysis by Category as of 10 March 2023

	Number of shareholders	Number of shares held	%
Malaysian	11,059	81,423,333	27
Foreigner	999	220,674,667	73
Total	12,058	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 ("BaBW") 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 United Nations Sustainable Development Goals (UN 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 and to be accountable to our valued stakeholders.

Our Focus Area



Highlights

ENVIRONMENTAL

Towards Healthy Watershed



We have independently verified & quantified our 2022 water stewardship initiatives by LimnoTech, a leading water sciences and environmental engineering consulting firm based in the United States and in line with the Volumetric Water Benefit Accounting (VWBA) framework by the World Resources Institute.

We are proud to announce that we have balanced **203%** of the water used in our products through high impact water stewardship initiatives.



We renewed our commitment to conserve water resources through our Towards Healthy Watersheds programme. We strengthened our environmental responsibility by committing towards clean, safe, and sustainable watersheds, with an investment of RM6 million in phase four of our W.A.T.E.R Project

RECOGNITION



HEINEKEN Malaysia was recognised at the Malaysian Dutch Business Council (MDBC) Innovation and Sustainability Awards 2023, winning the **Outstanding Dutch Investor in Malaysia (MNC)** category. We were recognised for our positive strides towards the aspirations of the United Nations Sustainable Development Goals and our ability to showcase our sustainability efforts and best practices through our value chain including the community outreach programmes.

Commercial Activation

'Cheers to Bold Beginnings' Chinese New Year Festive Campaign

Tiger's 'Cheers to Bold Beginnings' invited fans to re-energize their inner Tiger for an even bolder tomorrow. Through the campaign, Tiger introduced 'Gan Gan Chong', meaning the spirit to breakthrough, as a blessing of boldness. Tiger partnered with three local artists – Dato Maw, Han Xiao Ai and Danny Lee – to create a CNY song and music video, 'The Boldest Chase', inviting consumers to interact with the content and win exclusive prizes. Fans who participated took home limited-edition CNY premiums such as the Tiger rummy set, Tiger bowl set, or even exclusive Pestle and Mortar Clothing (PMC) merchandise, among others.

Additionally, Tiger also decorated the concourse areas of several malls with vibrant décor depicting streets of Chinatown where fans could participate in activities to take home limited-edition CNY premiums such as the Tiger rummy set, Tiger bowl set, or even exclusive Pestle and Mortar Clothing (PMC) merchandise, among others. Numerous promotions were also held at selected supermarkets, coffee shops and food courts where consumers who bought HEINEKEN Malaysia brews to stand a chance to win exclusive merchandise and attractive prizes ranging from the much sought-after Tiger Rummy Set to a 10g, 99.9% Tiger Gold Coin.



Guinness Malaysia's 2023 St. Patrick's Day Celebration

Guinness Malaysia's 2023 St. Patrick's celebration, "Our Day to Remember", encouraged its fans to celebrate their loved ones – their true lucky charms – while commemorating the good times with Guinness.

Fans celebrated the good times with Guinness with their lucky charms at participating pubs and bars where they could join dance parades, enjoy and dance along to live music or participate in games to win exclusive Guinness merchandise.

Guinness further elevated the St. Patrick's Day experience with the first-ever, Guinness St. Patrick's anthem. Through the anthem, fans could immortalise their memories in the form of a reel or video and post it on their social media platforms using the soundtrack.

To kick the festive celebration up a notch, Guinness rewarded fans who used the Guinness St. Patrick's anthem with exclusive merchandise. The more fans used the anthem, the more prizes they unlocked. Among the prizes up for grabs were exclusive Guinness mugs, as well as the Guinness festive St. Patrick's hats.



Heineken®'s Work Responsibly Campaign

In its latest Work Responsibly campaign, Heineken® has collaborated with global K-Drama Star Park Hyung Sik to raise awareness on the overworking culture in Malaysia and to remind everyone to work responsibly and to not let their social life down by 'ghosting their friends'.

As part of the campaign, Park Hyung Sik went on Instagram live while at a bar and witnessed unusual happenings — beer glasses moving on their own and chairs sliding across the room. The incident was filmed to highlight how a friend stuck in the office is a ghost at the bar — whenever a friend 'ghosts' because of work, their friends end up hanging out with his/her 'ghost'.

In line with the Work Responsibly Campaign, Heineken® will be having 50 'Ghosted Bar' activations on weekdays, from 9 May to 31 May 2023 between 6pm to 10pm, at selected bars in Penang, Ipoh, the Klang Valley and Johor regions, to encourage Malaysians to clock out on time and socialise with their friends.

Heineken® also has its online Ghost Generator for fans to create a personalized GIF to remind their friends to work responsibly and to not let their social life.



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