

## 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

11 brands and 50 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	Q3 2020	Q3 2019	%	YTD 2020	YTD 2019	%
Revenue	474	603	-21	1,243	1,640	-24
Operating profit/ (loss)	82	136	-40	135	293	-54
Taxation	19	33	-41	31	70	-55
Profit/(Loss) after tax	61	103	-41	100	222	-55
Net cash from operating activities	50	99	-50	98	303	-68

RM million	YTD 2020	YTD 2019	%
Total assets	1,188	926	28
Total liabilities	887	623	42
Reserves	145	152	(5)
Total equity	296	303	(2)
Capex	353	334	5

Financial Ratios	YTD 2020	YTD 2019
Operating working capital % of revenue	16.86	7.17
EBITDA margin	14.85	20.31
Return on equity	45.68	96.78
Debt to equity	3.00	2.06
Earnings/(Loss) per share (sen)	33.11	73.42
Net assets per share (RM)	0.98	1.00

EBITDA: Earnings before interest, tax, depreciation and amortisation

### Q3 / 2020 Key Highlights

- Group revenue contracted by 21% as compared to the same quarter in 2019, mainly due to a beer volume decline in the mid-teens as business was still in the recovery stage amidst the subdued market conditions. Correspondingly, Group profit before tax was 41% lower compared to the same quarter in 2019.
- Despite the gradual recovery of economic activities, the Group business performance particularly in the on-trade channel continued to be affected. Certain outlets with liquor licences such as pubs and entertainment outlets that do not have restaurant licences, are still prohibited from operating whilst sales in on-trade outlets such as restaurants and coffee shops remained slow due to various restrictions and some consumers shifting towards in-home consumption.
- Operating cash flow registered a decline in comparison to the same quarter in 2019 as the business is still in its recovery stage.
- Earnings per share was significantly lower mainly due to decline in Group profit performance which was heavily affected by the Covid-19 pandemic. Net assets per share remained consistent at RM0.98.

### Outlook

- Although the Group has observed a gradual recovery in the business in the third quarter, the Group remains cautious as the market is experiencing a slowdown given the economic uncertainties and challenging market environment. The re-imposition of more stringent measures to contain the resurgence of Covid-19 cases in most states across the Peninsula since October 2020 will impact the momentum of the market recovery in the fourth quarter, especially the on-trade business.
- The Group will continue to proactively right-size its cost base to adapt to the new market realities, reinvest into profitable growth and strengthen its bottom line. Despite the challenges, we look forward to Malaysia coming out of this crisis stronger and we will be working closely with our customers to usher in the festive joy with our consumers in a responsible way.
- It has been a challenging year for our business, the Board would like to thank the employees for their remarkable resilience and to our customers and consumers for their strong support of our brands and business.

### Disclaimer

This presentation contains forward-looking statements that are not historical facts with regard to the financial position, trends for future periods, and results of HEINEKEN Malaysia's activities. These forward-looking statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed in the forward-looking statements as originally made.

Many of these risks and uncertainties relate to factors that are beyond HEINEKEN Malaysia's ability to control or estimate precisely, such as, but not be limited to, future industry, market and economic conditions, the behaviour of other market participants, changes in consumer preferences, costs of raw materials, interest rate and foreign exchange fluctuations, change in tax rates, changes in law, technological advances, access to financing, international and domestic economic conditions, actions of government, regulators and weather conditions.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. HEINEKEN Malaysia does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

None of the HEINEKEN Malaysia, or any of their respective directors, employees, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. Nothing in this presentation (including any opinions expressed) should be regarded as investment advice being provided by HEINEKEN Malaysia or a solicitation or a recommendation that any particular investor should invest, buy, sell, hold or otherwise deal in any share or business of HEINEKEN Malaysia.

## Top 10 Shareholders as of 30 September 2020

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)	8,420,880	2.79
3. DB (Malaysia) Nominee (Asing) Sdn Bhd The Bank of New York Mellon for Virtus Kar International Small-Cap Fund	6,092,500	2.02
4. Citigroup Nominees (Tempatan) Sdn Bhd Exempt An for AIA Bhd	5,817,800	1.92
5. HSBC Nominees (Asing) Sdn Bhd JPMBL SA for Stichting Depository APG Emerging Markets Equity Pool	4,634,000	1.53
6. Cartaban Nominees (Asing) Sdn Bhd SSBT Fund MMGN for Mawer Global Small Cap Fund	4,555,200	1.51
7. UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)	4,000,359	1.32
8. Tai Tak Estates Sdn Bhd	2,156,000	0.71
9. Key Development Sdn Berhad	2,037,000	0.68
10. CIMB Group Nominees (Asing) Sdn Bhd Exempt An for DBS Bank Ltd (SFS)	2,034,200	0.68
	193,817,839	64.16

## Analysis by Category as of 30 September 2020

	Number of shareholders	Number of shares held	%
Malaysian	11,909	84,163,079	28
Foreigner	932	217,934,921	72
Total	12,841	302,098,000	100



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

## Sustainability

### Our Focus Areas

We pursue an increasingly holistic approach to sustainability, focusing on the entire value chain from Barley to Bar through our Brewing a Better World (BaBW) sustainability strategy. Our initiatives support 10 out of the 17 United Nations Sustainable Development Goals.

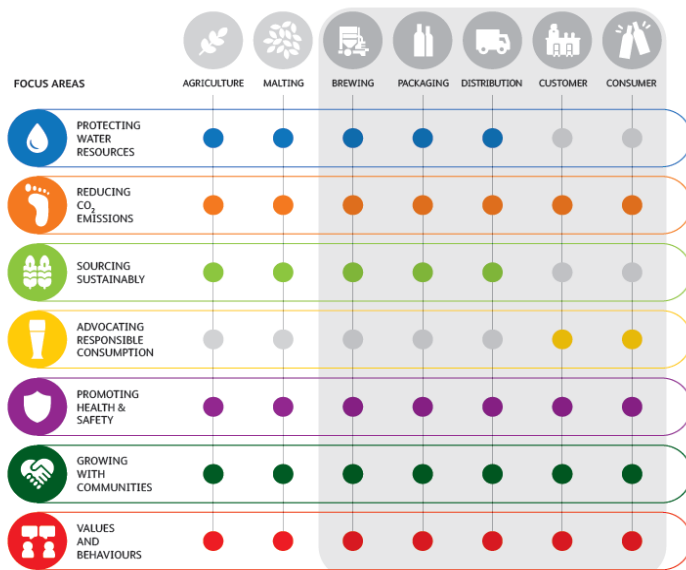


### Our Value Chain

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 Australia while 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 Areas



## Highlights

### PROTECTING WATER RESOURCES – EVERY DROP



**Urban Gardening Webinar**  
More than 110 participants from communities and employees attended the webinar



**Raja Musa Forest Reserve**  
Clay Dyke & Reforestation maintenance and monitoring

### GROWING WITH COMMUNITIES

**Tiger Sin Chew Chinese Education Charity Concert (SCECC)** sponsorship for Sin Chew Daily Disinfection Donation and “Wear Mask, Love Yourself” campaign

Tiger brand donated disinfectant sprayers and solutions to 8 schools under the Tiger Chinese Education Charity Concert programme. Tiger CECC 2020 will be postponed until next year in view of Covid-19.



### SUSTAINABILITY REPORTING & EXTERNAL AWARD

**BaBW Dashboard Overview**

WATER BALANCING	3.53%	Water balance	154	1.92
REDUCING CO2 EMISSIONS	11.23%	Renewable energy	3%	100%
SOURCING SUSTAINABLY	100%	CO2 per lit	100%	100%
PROMOTING HEALTH & SAFETY	100%	CO2 per kg	100%	100%
GROWING WITH COMMUNITIES	100%	CO2 per kg	100%	100%
VALUES AND BEHAVIOURS	100%	CO2 per kg	100%	100%

- BABW Q3 Reporting Completed
- Annual Sustainability Survey 2020 in progress



**Sustainability and CSR Malaysia Award 2020** awarded HEINEKEN Malaysia Company of the Year for Manufacturing – Beverage sector for our protecting our planet, protecting water resources and growing with communities initiatives in 2019.