

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	Q3 2021	Q3 2020	Change %	YTD 2021	YTD 2020	Change %
Revenue	390	474	-18	1,287	1,243	4
Operating profit	68	82	-17	199	135	47
Taxation	16	19	-16	47	31	51
Profit after tax	51	61	-16	150	100	50
Net cash from operating activities	(153)	48	-418	94	97	-3

RM million	YTD 2021	YTD 2020	Change %
Total assets	990	1,188	(17)
Total liabilities	690	892	(23)
Reserves	148	145	3
Total equity	300	296	1
Capex	346	353	(2)

Financial Ratios	YTD 2021	YTD 2020
Operating working capital % of revenue	13.08	16.86
EBITDA margin	19.50	14.85
Return on equity	66.22	45.68
Debt to equity	2.30	3.00
Earnings per share (sen)	49.60	33.11
Net assets per share (RM)	0.99	0.98

EBITDA: Earnings before interest, tax, depreciation and amortisation

Q3 / 2021 Key Performance

- Comparing to the same quarter in 2020 when the brewery operated at its normal capacity, Group revenue declined by 18% as sales were adversely affected by the continued brewery suspension which lasted until 15 August 2021 in line with the full lockdown imposed by the Government on 1 June 2021.
- Group profit before tax dropped 16% along with lower revenue, mitigated by effective cost management and on-going cost saving initiatives.
- Operating cash flow registered a decline in comparison to the same quarter in 2020 due to the business is still in its recovery stage. In September 2021, the Group have higher receivables driven by higher sales as the brewery resumed operations on 16 August 2021.
- Improvement was seen in both EBITDA margin and return on equity underpinned by profit growth and efficient cost management. Earnings per share remained resilient at 49.60 sen.

Outlook

- As the Covid situation continues to stabilise, the Group is hopeful that further relaxation of the restrictions and opening of the tourism sector will accelerate the recovery of the F&B sector. This will accordingly improve the Group's performance in the fourth quarter.
- The Group will continue to navigate this challenging external environment by adapting to the new market reality, ensuring the safety of our people, keeping a tight rein on cost and staying focused on our strategy to accelerate our business recovery.
- As health and safety of our employees is our first priority, the Company participated in the Government's vaccination programme to enable 100% of our brewery's essential workforce are vaccinated.
- The Group welcomes the stance taken by the Government to not increase excise duties on beer in the recent tabling of Budget 2022, as any hike in excise rates will further fuel illicit alcohol demand. As it is, Malaysia's excise rate for beer and stout ranks second highest in the world. Illegal trade and smuggling have caused the Government to incur huge tax revenue losses, disrupted legitimate businesses and risked exposing more consumers to cheaper, unregulated illicit alcohol. HEINEKEN Malaysia remains committed to support the Government to stamp out illicit trade.

Top 10 Shareholders as of 28 October 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	9,795,500	3.24
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)	4,020,859	1.33
7. Citigroup Nominees (Tempatan) Sdn Bhd – Exempt An for AIA Berhad	3,582,100	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
	196,158,539	64.93

Analysis by Category as of 28 October 2021

	Number of shareholders	Number of shares held	%
Malaysian	11,724	76,897,030	25
Foreigner	889	225,200,970	75
Total	12,613	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

AWARDS

HEINEKEN Malaysia recognised for Water Stewardship

HEINEKEN Malaysia won the **Green Leadership Award** at the **Asia Responsible Enterprise Awards (AREA) 2021** held virtually on September. The award underlines HEINEKEN Malaysia's water stewardship efforts that culminated in the brewer balancing more than 100% of water used in its products in 2020



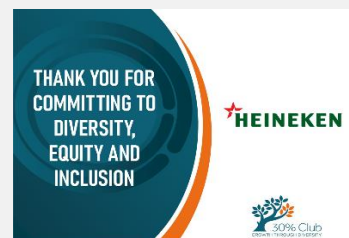
HEINEKEN Malaysia Wins at Sustainable Business Awards for third consecutive year

HEINEKEN Malaysia received the **Highly Commended Award** at the **Sustainable Business Awards (SBA) Malaysia 2020/2021**, Asia's only award series committed to sustainability, which comprehensively assesses corporate sustainability programmes in Malaysia.



SOCIAL

Championing Inclusion and Diversity: HEINEKEN Malaysia joins 30% Club



HEINEKEN Malaysia joined the 30% Club Malaysia, a local chapter of the global business-led campaign focused on building an ecosystem of businesses to promote diversity, equity and inclusion (DEI) with a focus on gender balance on boards and C-suites. Joining the 30% Club further underlines HEINEKEN Malaysia's efforts in promoting inclusion and diversity within the Group as part of its 2030 Brew a Better World sustainability commitment.

HEINEKEN Cares updates: Empowering NGOs to distribute Food Aid to Communities

As of 31 August 2021, 3,800 families across Malaysia have received food aid through the HEINEKEN Cares programme. The HEINEKEN Cares programme, which started on 26 July, looks at providing food aid to communities affected by job or income loss caused by the pandemic.



Commercial Activation

Work Hard, Drink Smart with Heineken® 0.0

In line with the brand's advocacy towards responsible consumption and to refresh consumers' next long day of work, Heineken® gave away 10,000 units of Heineken® 0.0 4-can packs. Now that working from home is the new norm, #NowYouCan work responsibly while enjoying a cold one with Heineken® 0.0 - a refreshing beer, minus the guilt and minus the alcohol. Heineken® 0.0 and all promotions and giveaways are for non-Muslims aged 21 and above only. For more information and updates, log on to www.heineken00drinksmart.com or follow Heineken® on Instagram (@HeinekenMY) and Facebook (<https://www.facebook.com/HeinekenMYS/>).



Uncage Your Inner Fire with Tiger Crystal

Tiger Crystal – crystal cold refreshment, brewed for your fire, is all about inspiring fans to uncage their inner fire. Tiger Crystal launched the #FireStarter platform to encourage fans to explore and discover new skills and passions with confidence. Featuring local mentors, surfskate pro Aaron Chan, Don Michael of Happyfingers Jumps, Meng from All Is Amazing and Mavic from Craft at No.7, the #FireStarterSquad welcomed fans to learn tricks of the trade and master the basics from them. To keep the fire burning and to put the skills learnt to the test, each mentor ran a contest on their respective Instagram pages to give away an exclusive Tiger Crystal Fire Starter Kit, for fans to kick start their new passion.



Add joy to Mid-Autumn Festival with Guinness Mooncakes

Just in time for the Mid-Autumn Festival, local bar chain The Beer Factory (TBF) and Malaysia's favourite stout, Guinness, partnered once again to create the limited-edition Guinness Snowskin Mooncakes. Wrapped up in a velvety black snowskin, Guinness Mooncakes set themselves apart with deep roasted flavours of Guinness and chocolate-infused lotus paste with an alcohol-infused golden bean paste centre, creating a rich and indulgent treat. Exclusively available at selected TBF outlets across Peninsular Malaysia, the Guinness Snowskin Mooncakes were housed in a premium presentation box of black and gold layering, making it an ideal gift for Guinness-lovers.



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