

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

Net zero impact
 Inclusive, fair and equitable company and world
 Moderation and no harmful use

Key Financials

Key Operating Results

RM million	Q3 2023	Q3 2022	Change %	YTD 2023	YTD 2022	Change %
Revenue	600	720	-17	1,909	2,063	-7
Operating profit	118	158	-25	383	441	-13
Taxation	28	49	-43	91	132	-31
Profit after tax	87	109	-20	288	308	-7
Net cash from operating activities	44	216	-79	226	390	-42

RM million	YTD 2023	YTD 2022	Change %
Total assets	1,275	1,089	17
Total liabilities	916	705	30
Reserves	209	232	-10
Total equity	360	384	-6
Capex	81	64	27

Financial Ratios	YTD 2023	YTD 2022
Operating working capital % of revenue	3.37	-0.46
EBITDA margin	23.02	24.14
Return on equity	106.42	114.91
Debt to equity	2.55	1.84
Earnings per share (sen)	95.24	102.02
Net assets per share (RM)	1.19	1.27

EBITDA: Earnings before interest, tax, depreciation and amortisation

Key Performance Highlights

Q3FY2023 versus Q3FY2022

Group revenue decreased by 17% as compared to the same quarter in 2022, mainly due to lower sales arising from weak consumer sentiment driven by rising cost of living and macro-economic concerns.

The Group had a strong base in the third quarter of 2022 as the market had an upsurge in sales (Revenue +85% versus the third quarter of 2021), following the re-opening of the economy and international borders at the start of the endemic phase. The Group views this quarter's performance as a continuation of the form of market correction as reported in the previous quarter's report.

Group profit before tax ("PBT") decreased by 27% alongside with lower revenue, mitigated by efficiency gains through cost and value initiatives.

Lower net cash from operating activities is mainly due to lower profit driven by lower sales in Q3FY2023.

YTD FY2023 versus YTD FY2022

Group revenue was 7% lower mainly due to weaker consumer sentiment attributed to growing macroeconomic concerns and strong rebound in 2022 as mentioned above, buffered by higher sales in the first quarter due to Chinese New Year festive period.

Group PBT declined by 14% principally due to lower revenue and relatively higher promotional and marketing expenses incurred during the period.

The Group recorded a higher capex spend as a result of investments in the brewery upgrade.

Outlook

Looking ahead, the Group expects the market to remain challenging as the global economy remains highly uncertain and the weakening of currency which may have a negative impact on consumer sentiment. The trend of market correction observed in the current and previous quarters is expected to continue.

The Group will remain agile to the volatile business environment and will continue to focus on its EverGreen strategy to future-proof its business. The Group will also continue to drive efficiency through cost optimisation across the organisation. In the absence of the one-off Prosperity Tax, we look forward to a positive impact on the Group's net profit this year.

The Group welcomes the stance taken by the Government not to increase excise duties on beer in its latest Budget 2024, as any hike in excise rates will drive greater demand for illicit alcohol. The Group will continue to monitor and support the authorities in addressing this issue through comprehensive efforts and promoting greater awareness within the market.

Top 10 Shareholders as of 29 September 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. Cartaban Nominees (Asing) Sdn Bhd The Bank of New York Mellon for Virtus KAR International Small-Mid Cap Fund	5,757,700	1.90
4. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Hong Leong Value Fund	4,112,600	1.36
5. UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)	3,844,059	1.27
6. HSBC Nominees (Asing) Sdn Bhd JPMSE Lux for Stichting Depository APG Emerging Markets Equity Pool	3,836,800	1.27
7. Citigroup Nominees (Tempatan) Sdn Bhd Exempt An for AIA Bhd	3,040,200	1.01
8. Tai Tak Estates Sdn Bhd	2,156,000	0.71
9. Key Development Sdn Berhad	2,037,000	0.68
10. Chinchoo Investment Sdn Berhad	1,865,000	0.62
	188,034,539	62.24

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



Analysis by Category as of 29 September 2023

	Number of shareholders	Number of shares held	%
Malaysian	11,625	80,916,776	27
Foreigner	953	221,181,224	73
Total	12,578	302,098,000	100



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

Highlights

ENVIRONMENTAL

Towards Healthy Watershed



Marginally higher water consumption in Q3 2023 (**3.52 hl/hl**) vs the target due to temporarily reduced efficiency attributed to the brewery upgrade initiatives.

Net Zero Carbon



CO₂ emissions in production 12 months ended 30 September 2023 - 66% reduction vs 2018 kgCO₂ baseline.

Reforestation at Raja Musa Forest Reserve



Reforested another 1 hectare, bringing the total to 3 hectares and 1,800 trees to rehabilitate degraded peatland at the Raja Musa Forest Reserve, contributing to increasing the water table and supporting the long-term health of Sg Selangor.

SOCIAL

Tiger Chinese Education Charity Concert (Tiger CECC)



Raised RM26.3 million for 8 schools in 2023, breaking record of total funds raised in a year and bringing total funds raised to RM407 million since 1994.

Commercial Activation

Heineken®'s Ghosted Bar Wins 1 Bronze Lion at Cannes Lions

Heineken® achieved a historic milestone at the 2023 Cannes Lions festival, winning 4 Lions for its work on the brand in APAC, marking the first recognition of its kind in the festival's history.

The Ghosted Bar, a #WorkResponsibly campaign addressing work-life balance in Malaysia and Singapore, earned 1 Bronze Lion in the Film category.

Overall, Heineken® secured a total of 21 Lions globally, showcasing its commitment to world-class creativity in advertising and communication.



Tiger Beer's Tiger Den

In celebration of Tiger Beer's history, the brand brought to life the experiential Tiger Den where consumers could participate in immersive experiences paying tribute to the brand's journey throughout the years.

The experience comprised six unique zones – Heritage Street, Tiger Brewery, AR-fitti Street, Hype Street, the Crystal Cold Room, and the Tiger Bar. The event also featured a collaboration with local designers, where visitors could design and purchase their own exclusive Tiger x PMC T-shirt, or purchase a limited-edition sneaker designed by Edmond Looi.

Consumers who collected stamps from all six zones could redeem Tiger Beer and Tiger Crystal, with the first 100 people per day standing to receive a customised Tiger bottle.

Visitors who documented their journey and posted an Instagram Reel of their experience could also stand to win a trip for two to Singapore worth RM30,000.



Guinness Flavour By Fire

The Guinness Flavour By Fire event returned in 2023 with a bigger line-up of renowned chefs serving Guinness-infused flame-cooked foods.

Visitors could indulge in delectable bites at the event which took place in Sentul Depot, Kuala Lumpur and Fort Cornwallis, Penang, accompanied with live music by local musicians and a variety of engaging activities.

The first 500 consumers who attended the event daily received a complimentary Guinness Draught.

There were a series of other promotional activities where consumers could participate to win exciting prizes, including exclusive invites to the Finale Party, Arthur's Storehouse dining vouchers, Guinness smoky marinade sauce and other Guinness merchandise.



2023 Star Academy National Finals

After completing training sessions across six states - Selangor, Johor, Penang, Perak, Sabah, and Sarawak, the regional champions gathered to compete at the 2023 Star Academy National Finals in Kuala Lumpur.

The regional champions put their knowledge and skills to the test before a panel of judges, including a special guest from the HEINEKEN Company, all the way from Amsterdam. J'Shua Chua from JJ Wine and Tapas, Johor, emerged as the 2023 National Champion, winning an all-expense paid trip to the Home of Heineken® – Amsterdam.

The event marked the culmination of the 2023 National Star Academy Championship and Training, where over 1,250 participants were equipped with product knowledge and technical skills.



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