

The logo consists of the letters 'GAB' in a bold, red, sans-serif font, with a small red square symbol to the upper right of the 'B'. The logo is positioned inside a white rectangular box that is part of a larger dark red geometric shape on the left side of the slide.

**GAB<sup>□</sup>**

# **FY15 FULL YEAR FINANCIAL PERFORMANCE**

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**ANALYST & MEDIA BRIEFING**

A thick, solid red horizontal bar spans the width of the slide at the bottom. On the right side, it transitions into a dark red, 3D-style rectangular block that tapers to a point.

# OPERATING ENVIRONMENT

An aerial photograph of a city skyline, likely New York City, during sunset. The sky is a warm, golden-orange color, and the city buildings are silhouetted against the light. The Empire State Building is prominent on the left side of the frame. The overall atmosphere is hazy and dramatic.

- Weakening Ringgit

- Low Consumer Sentiment

- Contraband Beers

- Post-GST Inflationary Pressure

# How we managed?



Weakening Ringgit

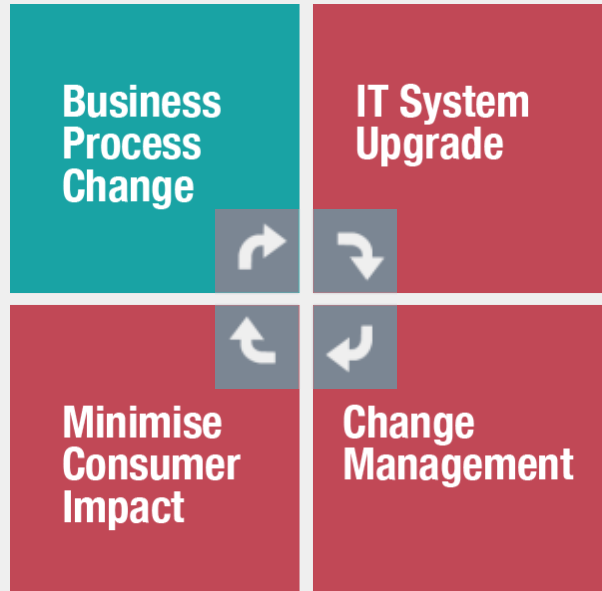
- Group procurement



Post-GST Inflationary Pressure

- Full preparedness for GST:
- Business process change
  - IT system upgrade
  - Change management
  - Minimise consumer impact

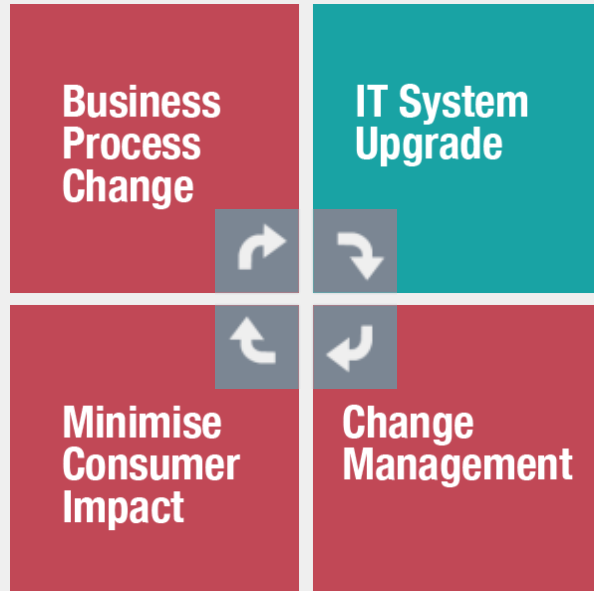
# Benefits of our GST preparedness



## BUSINESS PROCESS CHANGE

Simplified trade claim processes to deliver cost savings for GAB and distributors

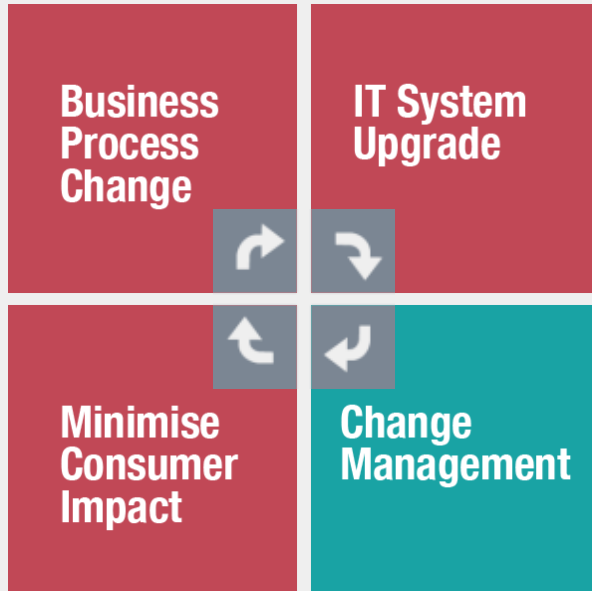
# Benefits of our GST preparedness



## IT SYSTEM UPGRADE

- Seamless and accurate delivery of all system upgrades
- Reached out and held workshops to help distributors with accounting systems

# Benefits of our GST preparedness



## CHANGE MANAGEMENT

- Continuous engagement with distributors, vendors, trade associations and outlets
- More than 1,000 people reached
- GST FAQs and packs distributed
- Responded to 500 queries through help desk

# Benefits of our GST preparedness



## MINIMISE CONSUMER IMPACT

- FY15 pricing strategy by pack / channel executed to minimise consumer impact and maximise value to the business and trade partners

# How we managed?



## Low Consumer Sentiment

- Optimise commercial effectiveness
- Innovate to address changing consumer preferences
- Optimise value beer opportunities
- Focus on activation to drive consumption
- Maximise opportunities in refreshment channel



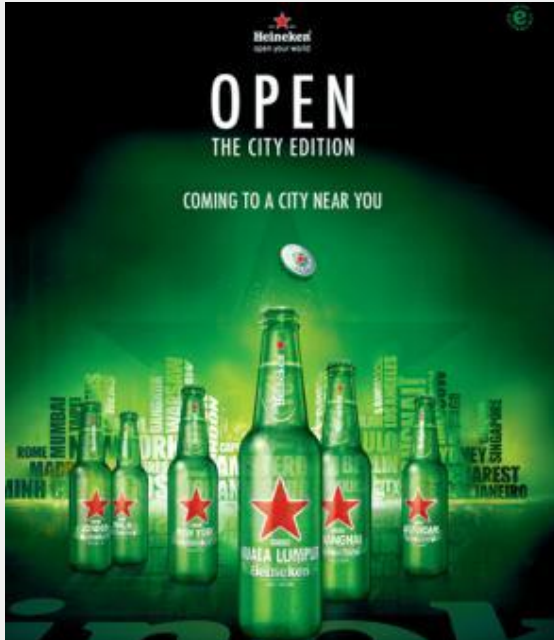
A photograph of a restaurant interior with a rustic, industrial aesthetic. The walls are made of dark wood, and the ceiling features exposed pipes and several hanging light fixtures, including a prominent round paper lantern. Patrons are seated at various tables, some of which are cluttered with dishes and glasses. In the background, a sign on the wall reads "NAUGHTY BARE". To the right, a bar area is visible with shelves of bottles. The overall atmosphere is warm and casual.

# COMMERCIAL EFFECTIVENESS

MARKETING STRATEGY

# Continue to win with our core brands

Extending Heineken's premium positioning



Guinness made an impact on new drinkers



# Continue to win with our core brands

Tiger beer, Malaysians' first choice, extends doubly refreshing variant



Optimised the value proposition of Malaysia's local favourite beer



# Innovating to meet changing consumer needs

GAB<sup>®</sup>

- Extend our beer core with exciting new products
- Create adjacent beer categories





# COMMERCIAL EFFECTIVENESS

SALES STRATEGY



# Sales Strategy

- Strategic outlet partnership



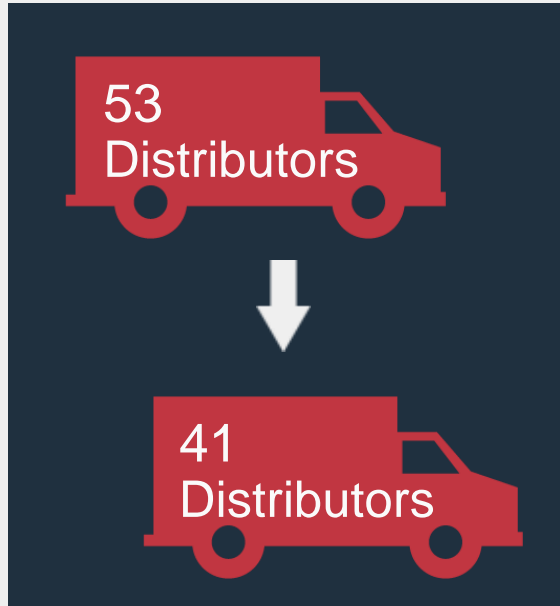
# Sales Strategy

- Optimising consumer experiences in Refreshment



# Sales Strategy

- Optimising route to market
- Uplifting capabilities of distributors





# How we managed?



## Contraband Beers

- Stepped up engagement with Government and Customs which led to greater enforcement efforts

# Anti Contraband Initiatives

Royal Malaysian Customs and MACC have worked hard to curb smuggling activities



Page X

## MALAYSIAN NEWS

### Lavish lifestyle gave them away

Twitter 1 Facebook 1 Share 21

KUALA LUMPUR: A SPECIAL task force to eradicate institutionalised corruption has been set up and will be headed by the former high court judge.

Investigative intricate

# 1,172 cases recorded

### Kastam tumpu Sabah, Sarawak

### KL Customs seizes liquor worth RM665,450, involving RM1,031,950 in taxes

Printed on 21 June 2015 - 10:30pm  
Last updated on 21 June 2015 - 10:30pm

KUALA LUMPUR: Kuala Lumpur Royal Customs Department has seized 10,110 litres of hard liquor worth RM665,450, involving taxes of RM1,031,950 since early this year.

An undercover Abaka Group (AG) team used Kuala Lumpur Customs Inspector 338 premises under the Custom Cos conducted since Jan 1 in efforts to curb sales of contraband hard liquor in the Klang Valley.

"Out of the total inspection, 58 premises were found to have the contraband goods.

"We have arrested 33 individuals, and out of that number, 24 were compromised, four in total and seven officers from the police handed over to the Investigation Department for further action," he said in a statement here today.

He said during that period, Kuala Lumpur Customs recorded a compound collector totaling RM665,450.

Abaka Group said for July and June this year, customs seized three premises in the Klang Valley at Bandar Utama and Ulu with goods valued totaling RM170,275 and RM111,000 respectively, while 6,250 litres of beer were seized from a store in Seremban valued at RM213,964 involving tax

### RM560mil frozen in blitz on smuggled booze, smokes

RM Reporter | May 13, 2015

Anti-corruption crackdown finds Caste



# More than 930,000 litres seized

Period: July 2014 – June 2015

However, cheaply priced imported beers are still widely available



# FINANCIAL PERFORMANCE

ALL THESE INITIATIVES HAVE ENABLED US TO ACHIEVE CONTINUED  
PROFIT GROWTH FOR FY15

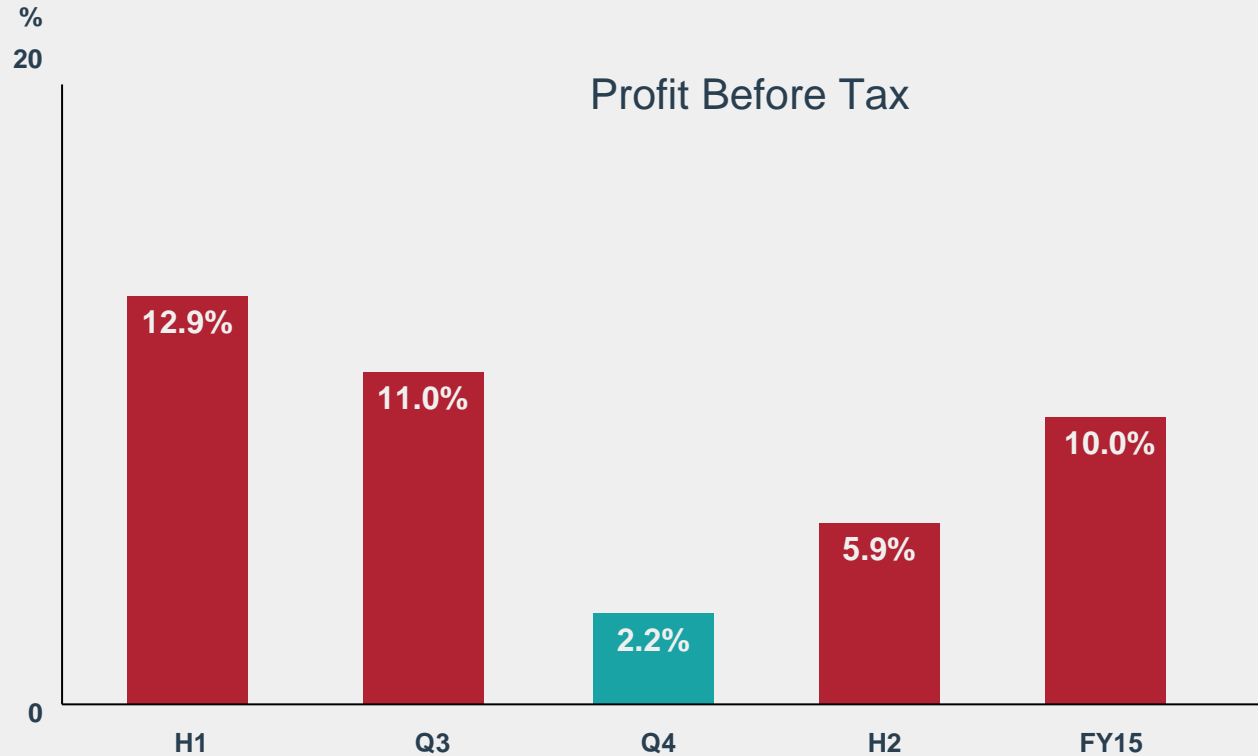
DESPITE CHALLENGES, Q4 PERFORMANCE IS IN LINE WITH  
EXPECTATIONS

# FY15 Full Year Performance

| MYR'mil                     | FY15  | FY14  | vs LY % |
|-----------------------------|-------|-------|---------|
| Volume (hls)                | 1,260 | 1,180 | 6.7%    |
| Revenue                     | 1,749 | 1,611 | 8.6%    |
| Profit Before Tax           | 292   | 266   | 10.0%   |
| Operating Cash (Post-CapEx) | 348   | 257   | 35.4%   |

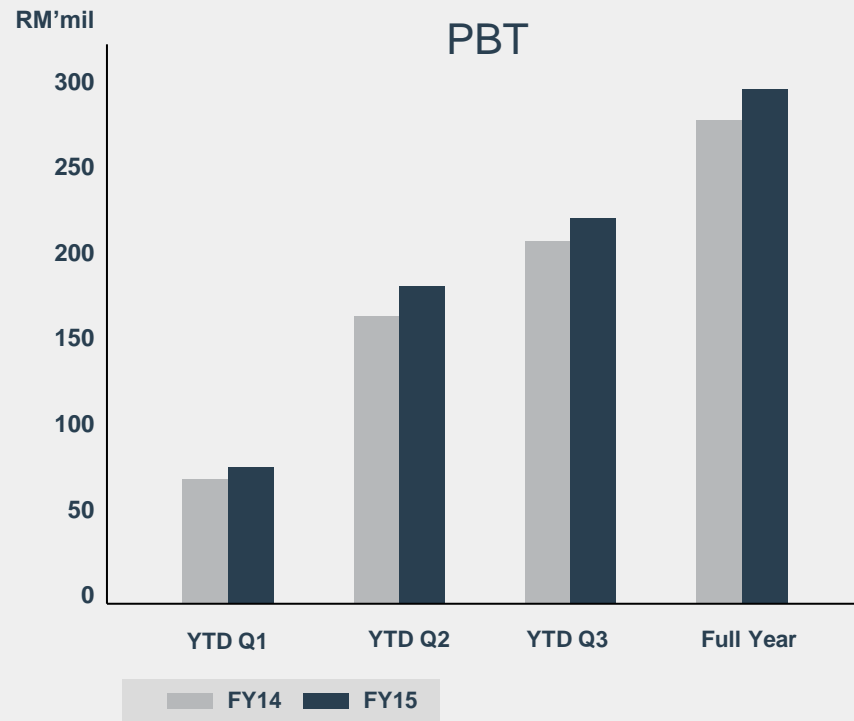
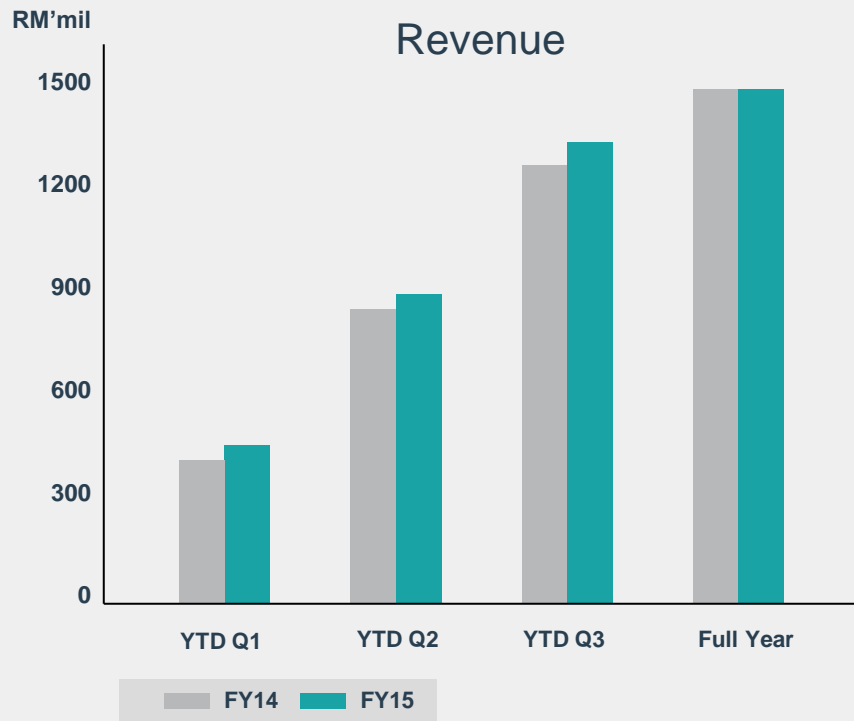
|                           | FY15   | FY14  | vs LY  |
|---------------------------|--------|-------|--------|
| Operating Margin          | 16.9%  | 16.8% | +10bps |
| Operating Cash Conversion | 118.0% | 94.8% |        |

# FY15 Q4 Performance



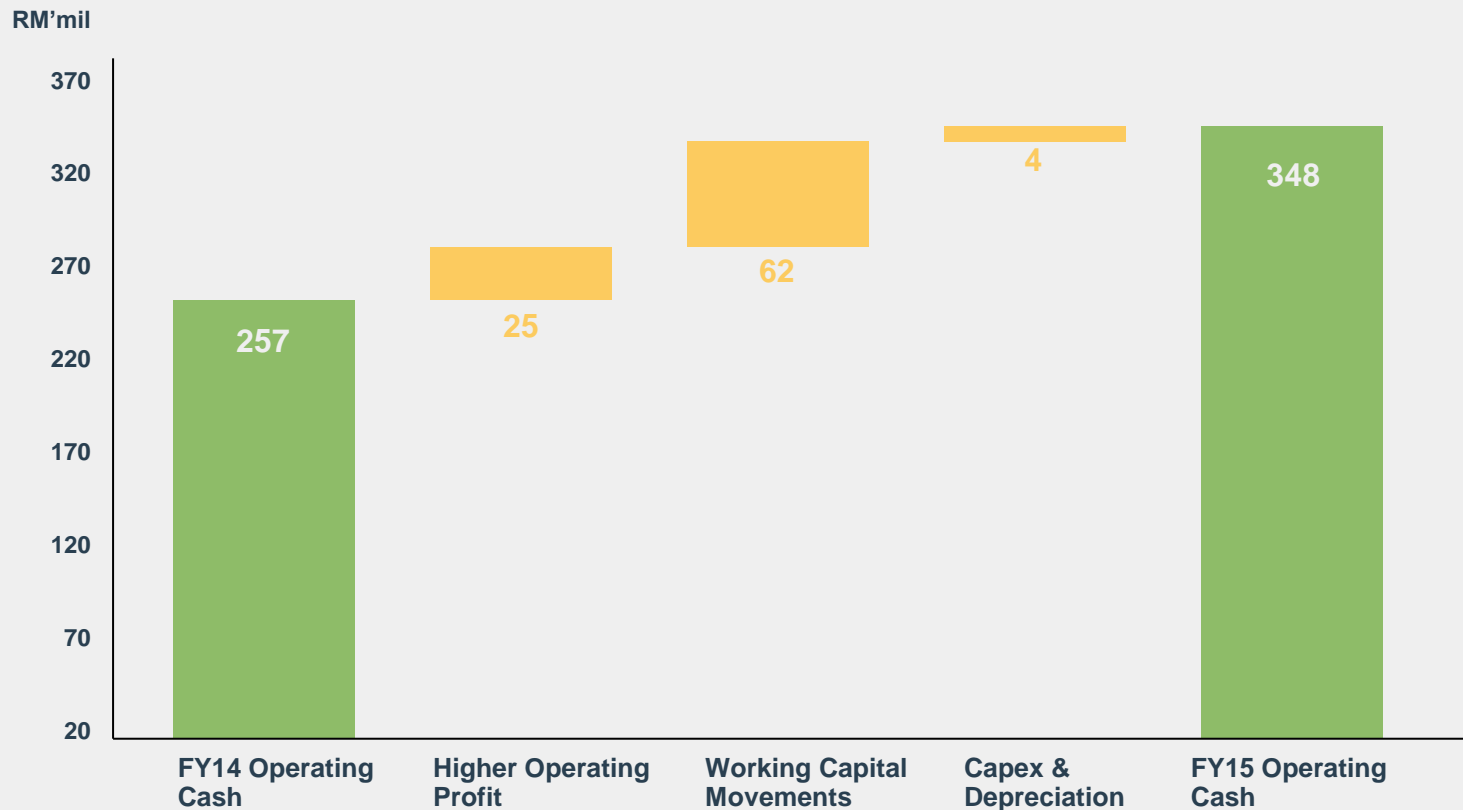
# Revenue & Profit Before Tax

Consistent growth in Revenue and PBT across all quarters compared to last financial year



# FY15 Operating Cash Movements

Unlocking working capital opportunities delivered a brilliant operating cash performance





# Proposed Dividend for FY15

|                             | FY15    | FY14     | Increase (%) |
|-----------------------------|---------|----------|--------------|
| Profit of the Year (RM'000) | 214,193 | 198,206  | 8%           |
| Total Dividend (sen)        | 71 sen  | 65.4 sen | 10%          |
| Dividend % Profits          | 100%    | 98%      |              |

Note: A final single tear dividend of 51 sen per 50 sen stock has been proposed subject to shareholders' approval at AGM

# Summing up the year

|                      |   |                                 |  |   |
|----------------------|---|---------------------------------|--|---|
| <b>FINANCIALS</b>    | Net Revenue<br>+8.6%                      | Profit Before Tax<br>10.0%      | Operating Cash<br>(Post-CapEx)<br>+35.4% | Dividend<br>71 sen  |
| <b>DRIVERS</b>       | Lower incidence<br>of contraband<br>beers | Excellent GST<br>implementation | Unlocking cash<br>opportunity            | Continued brand<br>investments and<br>commercial<br>effectiveness |
| <b>KEY POSITIVES</b> | Focused<br>strategy                       | Robust commercial<br>strategy   | Optimised<br>commercial<br>investments   | Stronger, resilient<br>and efficient<br>business                  |

# FY16 Challenges



1. Weak Ringgit



2. Political Uncertainties



3. Low Consumer Sentiment



4. Unemployment Increase



5. Contraband Beers



6. Global Economic Environment

# MOVING FORWARD

FY16 MAY BE CHALLENGING, BUT WE HAVE SOUND FUNDAMENTALS TO DELIVER CONSISTENT AND SUSTAINABLE PERFORMANCE

- Create winning partnerships with distributors
- Execute innovation brilliantly
  - Engagement with authorities on contraband beers
- Improve contract management process
- Optimise IT solutions
- Drive cost efficiencies



G·A·B<sup>U</sup>



# Disclaimer

This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.