

FY18 Financial Results Media & Analyst Briefing

Wednesday, 20 February 2019

FY18

External Environment Characterised By Change

Malaysia election: Opposition scores historic victory

© 10 May 2018

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Former Malaysian Prime Minister Mahathir Mohamad has scored a historic victory in the general election.

Good riddance GST, hello again SST

BUSINESS NEWS
Saturday, 19 May 2018



By P.Aruna



Replacement tax: Council of Eminent Persons chairman Tun Daim Zainuddin expects the introduction of SST to generate RM30bil in revenue for the Government.

Highlight

82% Malaysians confident economy will improve after GST reduction — Nielsen

Wong Ee Lin / theedgemarkets.com
June 11, 2018 11:35 am +08

Govt to set up two committees to reduce fiscal deficit, says Guan Eng

ECONOMY

Wednesday, 29 Aug 2018
5:44 PM MYT



Malaysia Development Bhd [+ Add to myFT](#)

Malaysia hopes to recover 30% of missing 1MDB billions

Finance minister Lim Guan Eng concedes most of fund's losses are irretrievable

FY18

Improvement in Consumer Sentiment

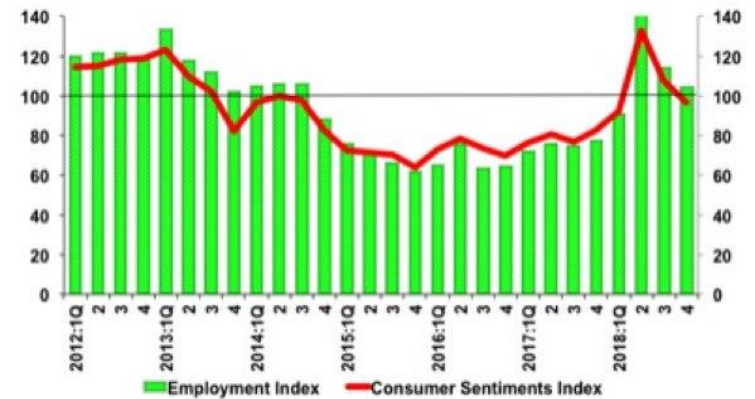
MIER: Consumer sentiment index soars to 21-year high

ECONOMY

Friday, 20 Jul 2018



According to the Malaysian Institute of Economic Research (MIER), the consumer sentiment index (CSI) soared to a 21-year high of 132.9 points during the second quarter of this year. This is the first time the index has breached the 100-point optimism threshold since the second quarter of 2009.



Key Initiatives

Mainstream Category Growth led by Tiger



World Class Experiences with Heineken® & Guinness



Accelerating Cider Category - Strongbow & Apple Fox



Big Wins at Putra Brand Awards 2018

Malaysia's Premier Brand Awards Measured By Consumer Preference

MALAYSIA CORPORATE

Select Language

Heineken Malaysia bags 3 Putra Brand awards

Surin Murugiah / theedgemarkets.com

October 29, 2018 11:44 am +08



Brewing a Better World

Sustainability at the Core of the Business

Three cheers for brewer

Company bags two awards for water management and CSR efforts

“Over the past 11 years, we have invested approximately RM8.5mil in driving water conservation projects in Malaysia.

Renuka Indrarajah



(From left) Environment, Science, Technology, Environment and Climate Change Minister Yeo Jee Seng presenting an award to Renuka Indrarajah, Heineken Malaysia managing director.

all life,” he added. From 2014 to 2017, Heineken Malaysia reduced water usage in its Sungai Way Brewery in Selangor by 16.2%, through improved efficiencies in brewing and packaging which reduced wastage. Heineken conservation initiative immediate of

Looking to the sky for water Desa Mentari community gets new rain harvesting system, thanks to tie-up

METRO NEWS

Saturday, 8 Sep 2018



By Sheila Sri Priya



Since 2007, the Spark Foundation has assisted Sungai Way residents living in parts of Desa Mentari (Block 1 to 5) to set up a community environmental educational hub called the 'Sungai Way Community River Info Centre'.

Heineken invests an additional RM2.5 million for water conservation

Heineken Malaysia is investing an additional RM2.5 million to set up rainwater harvesting systems and build wetland plantations to protect the country's water, the most important ingredient in their products.

Clean water supply on tap

About 5,000 villagers in Sabah to benefit from alternative solution



(From left) Soroptimist International Region of Malaysia president Dr Saradha Narayanan, Renuka Indrarajah, Kupikupifm station and programme manager Lester Calvin Mital, Liew and Heineken Malaysia managing director Roland Bala launching the 'Growing with Communities in Sabah' event.

Financial Highlights

FY18 & Q4 Performance

**Q4 vs Q3 2018 (preceding quarter
in the same year)**

Revenue
+ 29%
from RM512 million
to **RM662 million**

Profit Before Tax
+ 48%
from RM98 million
to **RM145 million**

**Q4 2018 vs Q4 2017
(3 months ended 31 December)**

Revenue
+ 12.3%
from RM590 million*
to **RM662 million**

Profit Before Tax
+ 18.1%
from RM123 million*
to **RM145 million**

**FY18 vs FY17
(12 months ended 31 December)**

Revenue
+ 8.3%
from RM1.87 billion*
to **RM2.03 billion**

Profit Before Tax
+ 4.8%
from RM363 million*
to **RM381 million**

** The comparative figures were restated
in line with the adoption of MFRS 15*

Proposed Dividend Pay Out



INTERIM DIVIDEND
(Paid in October 2018)

**FINAL DIVIDEND
PROPOSED**
(Payable in July 2019)

40 sen

54 sen

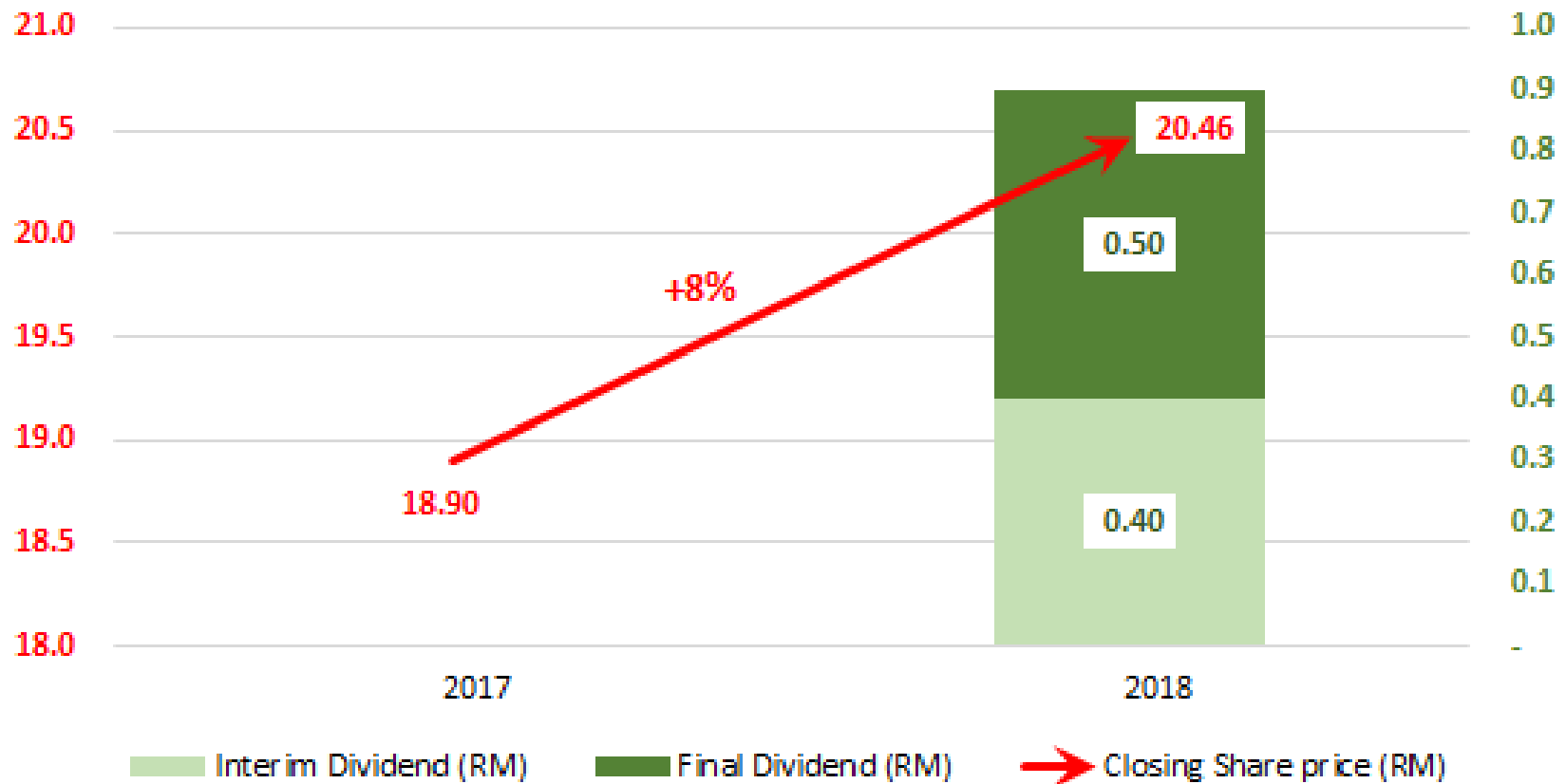
TOTAL DIVIDEND IN FY18

94 sen



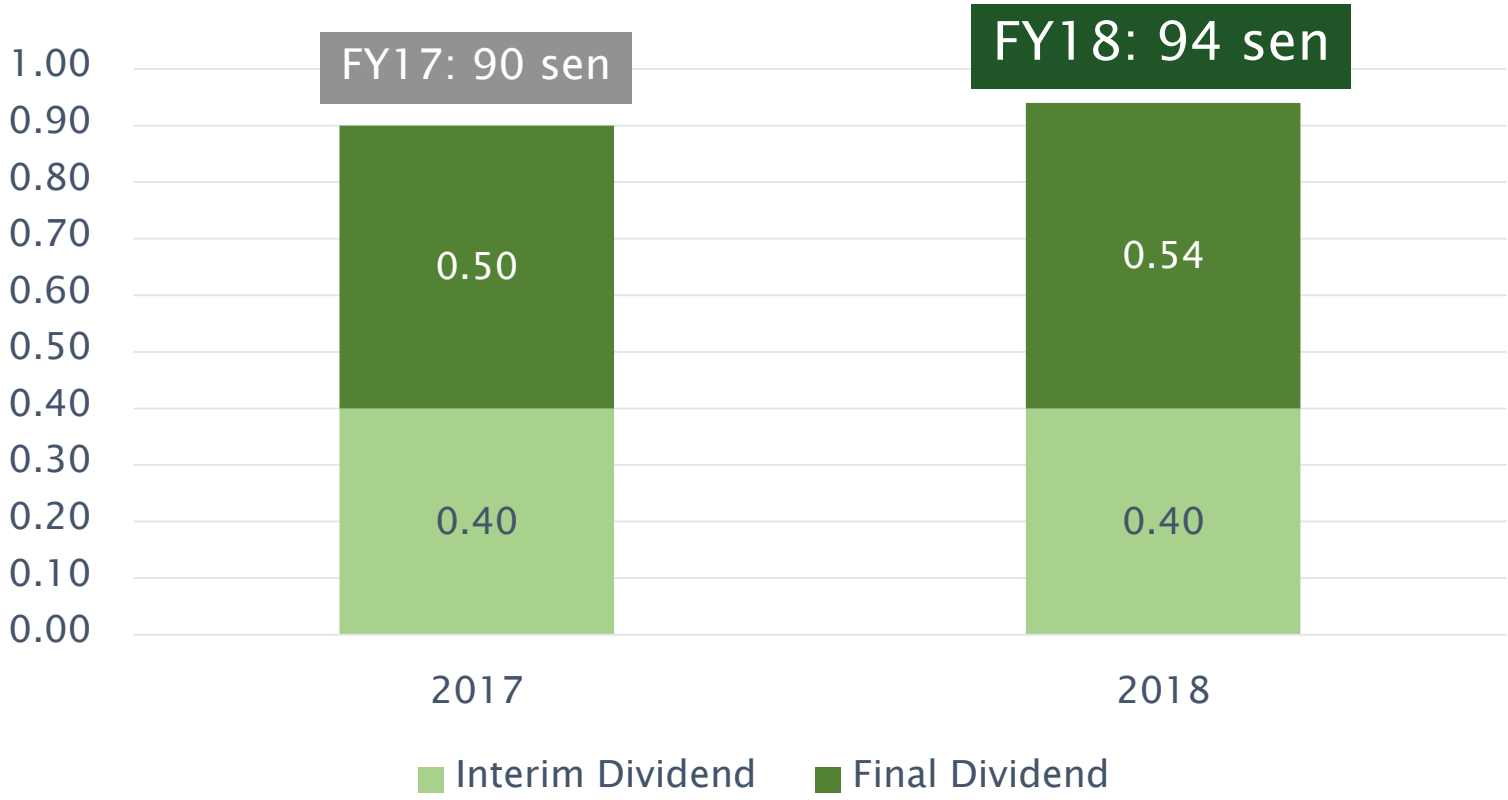
Commendable Shareholder Return

Total Shareholder Return in 12 months = 13%



Dividend Declared FY17 vs FY18

Dividend Declared



Summary: Bringing Things Together The Last 12 Months

FINANCIALS

Revenue
+8.3%

Profit Before Tax
+4.8%

FY18 Dividend
94 sen per stock unit

DRIVERS

Mainstream
Category Growth

Cost Efficiencies

World Class Brands &
Excellent Execution

KEY POSITIVES

Consumer Sentiment
Improved to 21-year High

Strengthened Government
Commitment Against Illicit Alcohol

CHALLENGES

Intensified Competition

Rising Costs of Raw Materials
And Packaging

Illicit Alcohol

2019 Outlook

2019 Outlook

- External environment to remain challenging
- Rising costs of raw materials and packaging
- Consumer sentiment to normalise
- Consumer preferences continue to evolve
- Illicit alcohol still a threat but Government and authorities have stepped up efforts to address illicit trade
- HEINEKEN Malaysia to remain cautious





HEINEKEN