



Heineken Malaysia Berhad Financial Results Q2 & 1HFY21

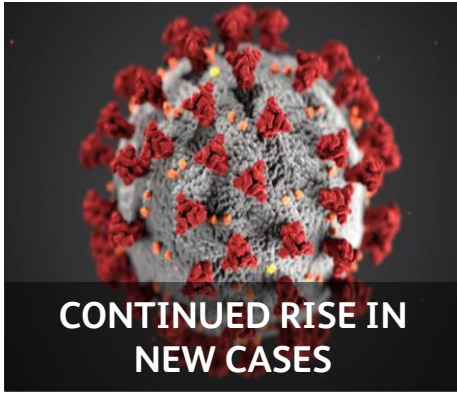
Media & Analyst Briefing | 25 August 2021
5.30pm-6.30pm

Speakers:

Roland Bala, Managing Director
Karsten Folkerts, Finance Director



A Challenging External Environment



Concerns

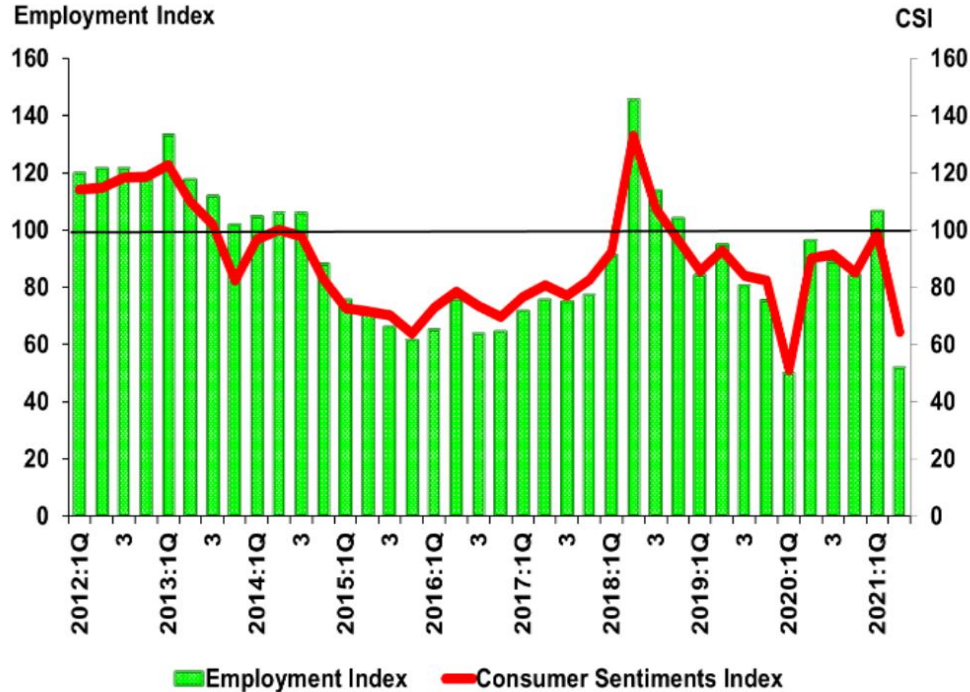
- New cases continue to escalate
- Prolonged & Intermittent Lockdowns
- Growing Illicit
- Political Uncertainty

Positives – Vaccinations

- 500,000 vaccinations a day
- > 50% of total adult population vaccinated
- > 80% of Klang Valley adult population vaccinated

Consumer Sentiments Index Q2, 2021

Source: Malaysian Institute of Economic Research



Growing Concerns

CSI plummets 34.6 points on quarter to 64.3 in Q2

Income and job outlook lackluster

Growing jitters over rising prices

Consumers to tighten purse strings for now

Safety as No. 1 Priority

Safeguarding the Health of our People

Bi-weekly screening tests for workers at our brewery

Accelerated vaccination for staff via PIKAS

Highly automated brewery

Site size – 23.72 acres, enables physical distancing of 10 metres between operators

100% compliant with Government SOPs



Staying Connected with Consumers

Enjoy the Rivalry

Heineken EURO2020 GERMANY
Heineken EURO2020 ITALY
Heineken EURO2020 WALES
Heineken EURO2020 SPAIN
Heineken EURO2020 ENGLAND
Heineken EURO2020 NETHERLANDS
Heineken EURO2020 FRANCE
Heineken EURO2020 PORTUGAL
Heineken EURO2020 BELGIUM
Heineken EURO2020 DENMARK

#SupportResponsibly

EURO2020

Heineken

Digital-led Heineken® Euro 2020 campaign

E-commerce – Heineken® volume increased 250% in June 2021 vs previous month

Drinkies
Sponsored

Enjoy the rivalry with a FREE Limited Edition Football Jersey when you buy Heineken® 24-can pack on Drinkies! ...see more

Score a FREE Football Jersey

Drinkies

Heineken Euro 2020

INSTALL NOW

HEINEKEN

Staying Connected with Consumers



Unbox the Extraordinary with Tiger Street Food

Featured exclusive, bold collaborations between classic street food favourites and the hottest modern restaurants.

Delivered safely to consumers' doorstep.

Staying Connected with Consumers



31 days of St Patrick's Celebration

Guinness gave consumers a chance to celebrate last year's missed occasions.

Spread joyful St. Patrick's spirit to consumers with the Guinness St. Patrick's Celebration Kits.

Edelweiss – Feel the Alps!



HEINEKEN Malaysia launched the new premium wheat beer Edelweiss.

Easy-to-drink modern wheat beer born in the Austrian Alps, made with all-natural ingredients to deliver a refreshing finish & subtle fruity aftertaste.

Available now across Peninsular Malaysia in bottles, cans and on draught.

Brew A Better World

Our commitment to Sustainability



Carbon neutral production by 2030 and the full value chain by 2040

Balance more than 100% of water used in our products (achieved in 2020, 10 years ahead of goal)

Lead Responsible Consumption: 10% of Heineken® media spend on this

Grow with local communities – raised RM355 million for schools since 1994

SPARK Foundation – 80,000 meals in 2020, 150,000 meals in 2021

Supporting our Stakeholders through Covid-19



CERTIFICATE OF MEMBERSHIP

This is to certify that

Heineken Malaysia

is a constituent company in the FTSE4Good Index Series



FTSE4Good

Inducted into FTSE4Good Bursa
Malaysia Index in June 2021

Solidifying Our Track Record in Sustainability



CSR Malaysia Award 2020, 2019, 2017
Sustainable Business Awards 2019, 2018
HR Asia Best Companies To Work For In Asia 2020

Introducing our new Finance Director

Karsten Folkerts

(appointed on 15 June 2021)



Prior to his appointment to HEINEKEN Malaysia, he was Chief Financial Officer/Head of Finance, Procurement and Digital & Technology for AB Heineken Philippines (ABHP) since January 2020, where he navigated ABHP through continuous COVID-19 lockdowns. Under these difficult circumstances, he has shaped a new future for HEINEKEN in the Philippines. He successfully managed the transition of the Philippines business from a joint venture structure with Asia Brewery to a new partnership.

Before moving to Manila, he was Finance Manager for Europe Export & Global Duty-Free for three years. Under his leadership, the Finance team has significantly improved business partnering capabilities, professionalized the revenue management approach in EE&GDF and strengthened the control environment, considerably impacting the business.

Joined HEINEKEN in 2007 as Finance Management Trainee, after which he was in Business Control and Project Management positions in VRUMONA, HEINEKEN Netherlands, and HEINEKEN Brazil.

1H 2021 Financial Highlights



Revenue

Profit Before Tax

Commentary

**1QFY21 vs
1QFY20**

(3 months ended 31 March)

+ 6.2%
from RM516 million
to RM548 million

+ 29.1%
from RM75 million
to RM97 million

1QFY21:

Gradual adaptation by businesses and consumers to the new normal, aided by easing of restrictions in March 2021

**2QFY21 vs
2QFY20**

(3 months ended 30 June)

+ 37.7%
from RM254 million
to RM349 million

+ 238%
from (RM24 million)
to RM33 million

2QFY21:

Growth attributed to easing of restrictions, and a strong focus on cost, which mitigated impact of FMCO and the suspension of operations from 1 June 2021

**1HFY21 vs
1HFY20**

(6 months ended 30 June)

+ 16.6%
from RM770 million
to 897 million

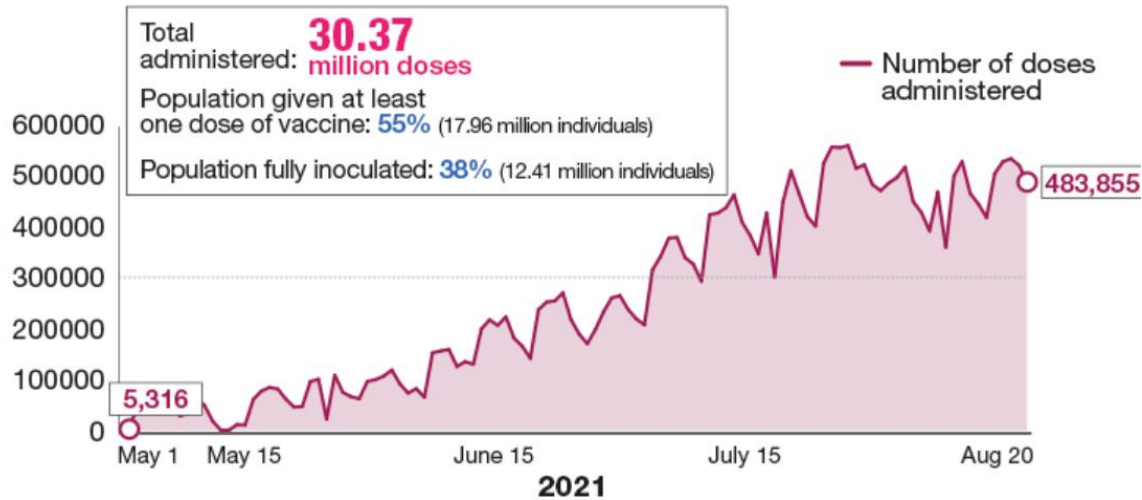
+ 155%
from RM51 million
to RM130 million

1HFY21:

Revenue growth indicated signs of recovery, unfortunately halted due to FMCO.

What lies ahead...

Number of Covid-19 vaccine doses administered daily in Malaysia



Source: Covid-19 Immunisation Task Force (CITF)

THE EDGE

Key Challenges

- Covid-19 – Delta variant & restrictions
- Economic uncertainties
- Political uncertainties
- Illicit trade
- Increasing input cost

Green Shoots of Recovery

- Vaccination accelerations
- Easing of restrictions on economic activities
- Allowing greater freedoms for vaccinated population

Ready to Support Malaysia's Recovery

Sungei Way Brewery officially opened by the first Prime Minister of Malaysia in 1966



1 Brewery in Petaling Jaya & **12 Sales Offices** nationwide

Supports more than **25,000 local business partners**

Sustains more than **35,000 jobs** directly & indirectly

Contributed more than **RM1.05 billion** in taxes to the Government in 2020

Navigating the Crisis, Building the Future...



**Our Purpose: Brewing a Sustainable Future
for our People, Business & Planet**

Our Focus

- **Cost & Value**
 - Right size our cost base
 - Right size our organisation
- **Growth**
 - Focus on Innovations & Growing Segments
- **Digital**
 - Accelerate B2B & B2C
- **Sustainability & Responsibility**
 - Protect & Conserve Water Resources
 - Advocate Responsible Consumption
 - Empower Communities
- **People & Culture**
 - Build Talent Pipeline
 - Invest in Future Leaders

