



Heineken Malaysia Berhad Financial Results (Full Year 2022)

Media & Analyst Briefing | 24 February 2023
6pm-7pm

Speakers:
Roland Bala, Managing Director
Karsten Folkerts, Finance Director



Full Year 2022: From Reopening to Recovery



Emerging from the Storm

From 1 Apr 2022, Malaysia began transitioning to the endemic phase.

Reopening of international borders and revival of tourism aiding recovery of Food & Beverage sector.

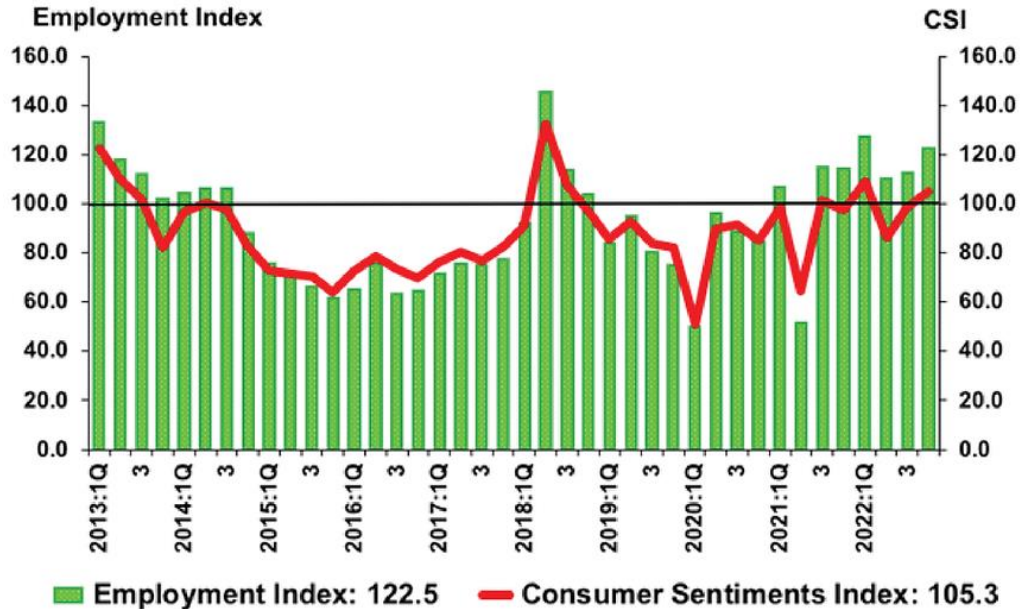
Government's Negative List abolished, enabling entertainment outlets to resume operations from 15 May 2022 onwards.

15th General Elections outcome resolved short to medium term political uncertainties.

Renewed optimism on unity government focused on accelerating economic recovery.

Consumer Sentiments Index Q4, 2022

Source: Malaysian Institute of Economic Research



Consumers maintain cautiously positive sentiment in 2022

- Present finances unchanged for most
- Improvement in jobs, income expectation
- Inflation worries continue to soften
- Declining spending plans

The graphic features a dark green background with a faint, glowing green globe in the center. The globe is surrounded by a network of green lines and nodes, suggesting a global or digital theme. The text '2022 HIGHLIGHTS' is prominently displayed in the center in a bold, white, sans-serif font. The background is framed by diagonal stripes in the top-left and bottom-right corners, consisting of a dark green outer band, a red inner band, and a white separating line.

2022

HIGHLIGHTS

Heineken® - the World's No. 1 International Premium Beer



Key campaigns in 2022

Heineken® Refresh Your Music

- World famous electropop duo The Chainsmokers headlined major concert in Genting Highlands

Heineken® Hotel Takeover

- Immersive music, art, wellness and culinary experiences across two weekends at KLoé Hotel

Star Quality Experience

- Heineken's Star Brewing Principles
- Crowning of Star Academy National Champion 2022

When You Drive, Never Drink

- Over 3,000 consumers pledged to never drink and drive

Tiger Beer – Malaysia's No. 1 Beer



Key campaigns in 2022

Tiger CNY: The Year We ROAR Together

- Exciting CNY festive promotions with an exciting campaign across all channels, bridging physical and digital.

Tiger Street Food Festival

- Two-weekend-long festival bringing together the best of Malaysian street food best enjoyed with Tiger Beer.

Cheers To The Bold

- A series of epic live viewing parties and exciting promotions to celebrate the most anticipated football season.

Tiger Crystal Fire Starter

- Empowered fans with the confidence to discover their inner fire by picking up new passions and unlocking their potential and skills.

Guinness – The World's No. 1 Stout



Key campaigns in 2022

Guinness St. Patrick's Festival

- Guinness rewarded fans who get the gang back together with exciting activities in conjunction with the St. Patrick's celebration.

House of Guinness

- Revolutionary consumer experience for fans to discover the innovation of Guinness Draught in a Can.

Launch of Guinness Draught in a Can

- Guinness lovers can now enjoy their favourite draught at home with Guinness Draught in a Can
- Arthur Store house.

Edelweiss – the Premium Wheat Beer Born in the Alps



Key campaigns in 2022

Chalet Edelweiss

- A unique experience that transports guests from the heat of the tropics to the sweeping horizons of the alps, right here in Malaysia.
- Consumers immersed themselves in the true nature of Edelweiss and were transported to see the golden wheat fields, hear the howling wind, smell the fresh alpine air and feel the cool breeze — all while tasting a refreshing glass of Edelweiss at a crisp Alpine temperature.

Every Hour is Happy Hour with Star Bar, a new feature on Drinkies



Drinkies

STAR BAR

ENJOY
HAPPY
HOUR
DEALS
ANYTIME,
ANYWHERE

Participating Brands

Heineken GUINNESS Tiger Tiger CRYSTAL Edelweiss

ENJOY RESPONSIBLY.

HEINEKEN Malaysia Star Bar

- With over 90 outlets available as HEINEKEN Malaysia Star Bar partners, consumers can purchase vouchers via Star Bar on the Drinkies app and redeem their favourite beers at any Star Bar outlet of their choice.
- Consumers not only get to enjoy amazing Happy Hour rates on beers all day long, but also get to earn Drinkies coins to redeem even more beers and exclusive merchandise.

Sustainability Highlights



Net Zero Carbon Emissions

- CO₂ emissions in production reduced by 49% vs 2018 baseline
- Transitioned to 100% renewable electricity via the Malaysian Renewable Electricity Certificate (mREC) programme since March 2022.
- On-site renewable electricity generation (Solar PV) installation originally targeted in Q1 2023 postponed to Q4 2023.

Towards Healthy Watersheds

- Improved efficiency of water consumption by 5% vs 2021 (20% vs 2014 baseline)
- 100% wastewater treated before release
- Balanced > 100% water used in products, renewed commitment to support water conservation initiatives with RM6 million investment

Positive Social Impact

- Tiger Sin Chew Chinese Charity Concert – raised RM20 million for 8 schools in 2022 (RM380 million since 1994)
- HEINEKEN Cares community food aid – 200 million steps by HEINEKEN Malaysia employees, 600,000 meals for communities in need

Advocating Responsible Consumption

- Heineken® brand 10% media spend on responsible consumption
- Heineken® When You Drive, Never Drink campaign: 3,000 consumer pledges & 100 industry pledges against drink driving.
- Year-end festive period – 10,000 e-hailing promo codes for consumers

Full Year 2022 Financial Highlights

Revenue

Profit Before Tax

Net Profit

**Q4 2022 vs
Q4 2021**

(3 months ended 31 Dec)

+ 14%

from RM692 million
to **RM792 million**

+ 24%

from RM124 million
to **RM154 million**

+ 9%

from RM96 million
to **RM105 million**

**Full Year 2022 vs
Full Year 2021**

(12 months ended 31 Dec)

+ 44%

from RM1.98 billion
to **RM2.86 billion**

+ 85%

from RM321 million
to **RM595 million**

+ 68%

from RM246 million
to **RM413 million**

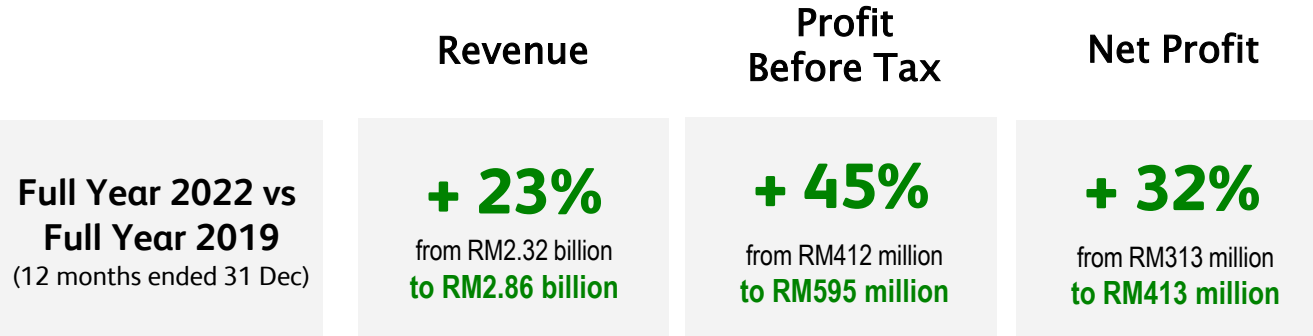
Increase in sales volume following the reopening of international borders, increased on-trade consumption, as well as a positive mix impact from premium portfolio growth.

Lower comparison vs 2021 as our brewery was closed for 11 weeks due to the MCO.

Q4 revenue growth boosted by increased on-trade consumption and an earlier CNY 2023 festive period.

PBT increase due to sustainable revenue growth as well as efficiency gains through cost and value initiatives

Comparison against pre-pandemic levels



The Group's Full Year 2022 performance has accelerated above 2019 levels.

The Group remains cautious due to:

- Ongoing supply disruptions
- Inflationary pressures impacting disposable incomes
- Fear of global recessions; and
- Ongoing geopolitical tensions

Proposed Dividend

**Single Tier
Interim Dividend**
(Paid in November 2022)

40 sen
per stock unit

**Single Tier
Final Dividend**

(Subject to approval of the
shareholders at the forthcoming
AGM – to be paid in July 2023)

98 sen
per stock unit

Total Dividend Payout for FY22

138 sen
per stock unit

Comparison: FY2021
81 sen per stock unit

Dividend Payout
representing

101%

of Full Year 2022
Profit After Tax

2023 Outlook

Malaysia's momentum picks up as economic outlook gradually improves: Economists

By FARAH ADILLA and AZANIS SHAHILA AMAN · February 12, 2023 @ 10:32am



While the growth is slower than the two previous quarters, economists agreed that the momentum was picking up for Malaysia as 2023 global outlook was gradually improving. NSTP/ AZIAH AZMEE

The business environment in 2023 is expected to remain volatile and challenging given continued pressure from:

- rising cost of living and the impact on consumer sentiment
- global supply chain disruptions due to geopolitical conflicts
- recessionary pressures from leading economies

We remain agile to the volatile trading environment

We focus on delivering our EverGreen strategy to future-proof our business.



DRIVE SUPERIOR GROWTH

With consumer centricity, shape & lead premium category. Continue investing behind our brands.

FUND THE GROWTH

Cost & Value to drive efficiency, enabling reinvestments into our brands and business.

RAISE THE BAR ON SUSTAINABILITY & RESPONSIBILITY

Deliver on our ambition to become net zero carbon in production by 2030 and the full value chain by 2040.

BECOME THE BEST CONNECTED BREWER

Accelerate digital & technology to create a Unified Customer Ecosystem with a customer & consumer-first approach.

UNLOCK THE FULL POTENTIAL OF OUR PEOPLE

Promote a high-performance culture that boosts our strategic capabilities.



