



Investor Factsheet

November 2022

Purpose

We brew the Joy of True Togetherness to inspire a better world

Ambition

To be an undisputed market leader in Malaysia, 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

Key Financials

Key Operating Results

RM million	Q3 2022	Q3 2021	Change %	YTD 2022	YTD 2021	Change %
Revenue	720	390	85	2,063	1,287	60
Operating profit	158	68	133	441	199	122
Taxation	49	16	201	132	47	180
Profit after tax	109	51	113	308	150	106
Net cash from operating activities	216	(153)	241	390	94	314

RM million	YTD 2022	YTD 2021	Change %
Total assets	1,089	990	10
Total liabilities	705	690	2
Reserves	233	148	57
Total equity	384	300	28
Capex	413	346	20

Financial Ratios	YTD 2022	YTD 2021
Operating working capital % of revenue	-0.46	13.08
EBITDA margin	24.14	19.50
Return on equity	114.91	66.22
Debt to equity	1.84	2.30
Earnings per share (sen)	102.02	49.60
Net assets per share (RM)	1.27	0.99

EBITDA: Earnings before interest, tax, depreciation and amortisation

Leading Brewer in Malaysia

- With history dating back to 1964
- Listed on Bursa Malaysia since 1965

Portfolio of World-Class Brands

11 brands and 80 SKUs
36 Putra Brand Awards since 2010

Part of the HEINEKEN Company

- 51% owned by HEINEKEN NV
- 49% by public

1 brewery and 12 sales offices throughout Malaysia

Brew a Better World 2030 supports the path to

Zero impact
Inclusive, fair and equitable world
Moderation and no harmful use

Key Performance Highlights

Q3FY2022 versus Q3FY2021

- Group revenue grew by 85%, mainly due to strong post-COVID recovery following the reopening of international borders, increased on-trade consumption as well as positive mix impact from our premium portfolio growth.
- Group profit before tax ("PBT") grew significantly by 134% to RM157 million. The growth was driven by revenue growth as highlighted above as well as driving efficiency through cost and value initiatives whilst the Group continued to invest behind its brands and capabilities in line with our EverGreen strategy.

YTD FY2022 versus YTD FY2021

- Group revenue and PBT increased by 60% and 123% respectively, mainly driven by low volume last year as the brewery was closed due to the Movement Control Order. In addition, our performance was enhanced by strong CNY/festive period, steady recovery for the on-trade business, better revenue and cost management.
- Taxation was significantly higher mainly attributed to the one-off Prosperity Tax of 33% for chargeable income above RM100 million introduced in 2022. The Group's effective tax rate for Q3FY2022 and YTD FY2022 were 30.9% and 30% respectively, above the 24% corporate tax rate.
- Net cash from operating activities improved significantly due to higher profits and better cash management. Nevertheless, operating working capital was less favourable due to higher receivables and payables in line with higher sales and production activities.
- The Group incurred a higher capex spend in line with the brewery upgrade.
- Save for the operating working capital, financial ratios were broadly healthy underpinned by profit growth and efficient cost management.

Outlook

The Group continues to be cautious on the macroeconomic outlook. The market condition remains challenging given the continued pressure from global supply chain disruptions, recessionary pressures from leading economies, rising input cost, weakening ringgit and rising inflation that could impact consumer purchasing power.

The Group will remain agile in responding to the volatile business environment and the new market reality with focus on delivering our EverGreen strategy (<https://www.heinekenmalaysia.com/our-strategy/>) to future-proof the business and continue to invest behind our brands and capabilities. The Group will also drive its sustainability agenda on creating a positive impact where it operates by taking on a responsibility towards people, planet and performance.

The Group welcomes the stance taken by the Government not to increase excise duties on beers as any hike in excise rates will drive greater demand for illicit alcohol. The Group will remain committed to support the Government to stamp out illicit trade through holistic efforts including strengthening enforcement and raising greater awareness in the market.

Top 10 Shareholders as of 20 October 2022

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. DB (Malaysia) Nominee (Asing) Sdn Bhd - The Bank of New York Mellon for Virtus Kar International Small-Mid Cap Fund	6,794,800	2.25
4. HSBC Nominees (Asing) Sdn Bhd - JPMSE Lux for Stichting Depositary APG Emerging Markets Equity Pool	6,155,400	2.04
5. Citigroup Nominees (Tempatan) Sdn Bhd - Exempt AN for AIA Bhd	4,359,000	1.44
6. UOB Kay Hian Nominees (Asing) Sdn Bhd - Exempt AN for UOB Kay Hian Pte Ltd (A/C Clients)	3,997,539	1.32
7. Tai Tak Estates Sdn Bhd	2,156,000	0.71
8. Key Development Sdn Berhad	2,037,000	0.67
9. ChinChoo Investment Sdn Berhad	1,865,000	0.62
10. Ho Han Seng	1,600,000	0.53
	190,349,919	63.00

Analysis by Category as of 20 October 2022

	Number of shareholders	Number of shares held	%
Malaysian	11,535	81,768,558	27.1
Foreigner	974	220,329,442	72.9
Total	12,509	302,098,000	100



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

Sustainability

We believe in the long-term sustainability of our business. Our global sustainability strategy, Brew a Better World 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 UN Sustainable Development Goals (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



ENVIRONMENTAL

SOCIAL

RECOGNITION

Highlights

Carbon Neutral



CO₂ emissions in production 12 months ended 30 September 2022 - **33% reduction** vs 2018 kgCO₂ baseline

Renewable Electricity



Our operations at Sungai Way Brewery transitioned to **100% renewable electricity** in March 2022 through participation in the Malaysia Renewable Energy Certificate (MRECs) programme.

Towards Healthy Watershed



Water Consumption in production YTD 30 September 2022 - **3.49 hl/hl** – slightly above our target due to ongoing upgrading works at the brewery.



Conducted flood preparedness training for Taman Sri Muda communities in collaboration with Global Environment Center and Government Agencies

Tiger Chinese Education Charity Concert (Tiger CECC)



Completed first three Tiger CECC fundraising shows of 2022

2022 target: Raise RM5 million for 8 schools.

HEINEKEN Cares was featured in The Star ESG section on 28 October 2022. Featuring our 3 NGO partners; PWD Smart Farmability, Soroptimist International Region of Malaysia and EPIC.



HEINEKEN Malaysia won two awards at the Sustainability & CSR Malaysia Awards 2022



Won gold at HR Excellence Awards for Diversity, Equity & Inclusion

Commercial Activation

Rediscover Fresh Experiences at the Heineken® Hotel Takeover

Heineken® invited consumers to immerse themselves in fresh experiences at the Heineken® Hotel Takeover that took them on a journey that redefined and elevated music, art, wellness and culinary experiences. The event took place across two weekends from 23 – 24 July and 30 – 31 July 2022 at KLoé Hotel, with a goal to reignite the spark of discovery and exploration for all, right in the heart of KL.

Guests could also book a limited Heineken® staycation room through the KLoé Hotel website. The rooms were uniquely branded Heineken® and offered Heineken® goodies for guests to take home as memorabilia.



Mission to discover the innovation of Guinness Draught in a Can

Following the launch of Guinness Draught in a Can in Malaysia, Guinness Malaysia launched House of Guinness to officially introduce and bring consumers through the innovation behind the product.

The hub gave fans an immersive experience in the world of Guinness at APW Bangsar where they were taken through a mission, comprising three tasks to be awarded the title of Guinness Innovation Expert.

The House of Guinness ran from July to September, on Wednesdays to Sundays. Attendees received a complimentary Guinness Draught in a Can and one limited-edition Guinness merchandise.



Beat the Heat with Tiger Crystal

Tiger Crystal invited its fans to turn up the heat with its latest Heat Exchange activation. In return, the brand awarded fans' efforts with free Tiger Crystal and promo codes.

The event was held at Plaza Arkadia, Desa Park City, where fans were invited to come together to convert their body heat via various activities. Upon reaching the target temperature displayed on a giant thermometer at the plaza, fans instantly unlocked free ice-cold Tiger Crystal to enjoy and celebrate their success with one another.



Transform Your Weekend Into An Adventure With Edelweiss

Edelweiss launched its first-ever Chalet Edelweiss Unwind, an outdoor experience that allowed consumers to disconnect from their hectic city lives and discover nature alongside glamping and a series of fun activities and music performances.

Fans who attended Chalet Edelweiss Unwind were treated to an exciting line up of regional and international artists, ranging from headliner American singer, songwriter and producer Jeremy Zucker, Karencici a Chinese-American singer and songwriter, Demot Kennedy and Jumero, among many others.

Besides the music performances, fans were able to participate in other activities like morning yoga, night campfires and other fun games.



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