



Investor Factsheet

February 2023

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

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
 39 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 Financials

Key Operating Results

RM million	Q4	Q4	Change %	FY	FY	Change %
	2022	2021		2022	2021	
Revenue	792	692	14	2,855	1,979	44
Operating profit	155	125	24	596	324	84
Taxation	50	29	74	182	76	140
Profit after tax	105	96	9	413	246	68
Net cash from operating activities	99	246	60	489	340	44

RM million	FY	FY	Change %
	2022	2021	%
Total assets	1,416	1,088	30
Total liabilities	928	692	34
Reserves	337	244	38
Total equity	488	396	23
Capex	526	404	30

Financial Ratios	FY	FY
	2022	2021
Operating working capital % of revenue	3.47	4.28
EBITDA margin	23.64	19.94
Return on equity	122.06	81.87
Debt to equity	1.89	1.75
Earnings per share (sen)	136.65	81.32
Net assets per share (RM)	1.62	1.31

EBITDA: Earnings before interest, tax, depreciation and amortisation

Key Performance Highlights

Q4FY2022 versus Q4FY2021

- Group revenue grew by 14% versus the same quarter in 2021, the revenue growth is mainly driven by sales volume from increased on-trade consumption and earlier festive sell-in for Chinese New Year 2023.
- Correspondingly, Group profit before tax ("PBT") increased by 24% to RM154 million. The growth was driven by sustainable revenue growth as highlighted above, as well as efficiency gains through cost and value initiatives.
- Net cash from operating activities declined vs FY2021 quarter, mainly driven by higher receivables and inventories due to higher sales and production activities arising from an early festive sell-in for Chinese New Year 2023. This is partially offset by higher payables.

FY2022 versus FY2021

- Group revenue rose by 44%, mainly attributable to an increase in sales volume following the reopening of international borders, increased on-trade consumption as well as positive mix impact from premium portfolio growth. It was also driven by low volume last year as the brewery was closed for 11 weeks from 1 June 2021 to 15 August 2021 due to the Movement Control Order.
- Group PBT increased by 85%, primarily due to strong post-COVID recovery, gradual recovery for the on-trade business, and improved revenue, productivity and cost management. The Group will continue to focus on the execution of the EverGreen strategy to drive sustainable growth.
- Taxation increased significantly, mainly attributed to the one-off Prosperity Tax of 33% on chargeable income above RM100 million introduced in 2022. The Group's effective tax rates for Q4FY2022 and FY2022 were 32.1% and 30.5% respectively, above the 24% corporate tax rate.
- Full year net cash from operating activities improved following better overall Group performance during the year.
- The Group also incurred a higher capex spend in line with the brewery upgrade and continued investments in digital and technology.
- Overall financial ratios remained healthy, underpinned by profit growth and efficient cost management driven by the EverGreen strategy.

Outlook

- The Group is pleased to see good recovery on business performance in 2022 following the full re-opening of on-trade business. However, the Group expects the business environment in 2023 to remain challenging given the continued pressure from global supply chain disruptions, recessionary pressures from leading economies, rising input costs, currency fluctuation and rising inflation that could impact consumer purchasing power.
- The Group will remain responsive to the volatile business environment and new market realities, with a focus on delivering our EverGreen strategy (<https://www.heinekenmalaysia.com/our-strategy/>) in order to continue to invest behind our brands and capabilities, as well as future-proof the business to unlock efficiencies and reinvest in growth drivers. The Group will also focus on our Brew A Better World sustainability agenda, which includes making a positive impact in the environment and the communities where we operate.
- The Group welcomes the stance taken by the Government not to increase excise duties on beer in its latest Budget 2023, as any hike in excise rates will drive greater demand for illicit alcohol. The Group remains committed to supporting and working closely with the authorities to address the issue of illicit alcohol holistically.

Top 10 Shareholders as of 20 January 2023

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. HSBC Nominees (Asing) Sdn Bhd - JPMSE Lux for Stichting Depository APG Emerging Markets Equity Pool	6,196,600	2.05
4. Cartaban Nominees (Asing) Sdn Bhd - The Bank of New York Mellon for Virtus KAR International Small-Mid Cap Fund	5,080,200	1.68
5. UOB Kay Hian Nominees (Asing) Sdn Bhd - Exempt AN for UOB Kay Hian Pte Ltd (A/C Clients)	3,941,539	1.31
6. Citigroup Nominees (Tempatan) Sdn Bhd - Exempt AN for AIA Bhd	3,199,200	1.06
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. CIMB Group Nominees (Asing) Sdn Bhd - Exempt AN for DBS Bank Ltd (SFS)	1,839,800	0.61
	187,700,519	62.13

Analysis by Category as of 20 January 2023

	Number of shareholders	Number of shares held	%
Malaysian	9,698	81,101,494	26.8
Foreigner	479	220,996,506	73.2
Total	10,177	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 ("BaBW") 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 United Nations Sustainable Development Goals (UN 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



Sustainability Achievements in 2022

ENVIRONMENTAL

Carbon Neutral



Reduced CO₂ emissions in production by **-49%** vs 2018 kgCO₂ baseline.

Renewable Electricity



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

Towards Healthy Watershed



Water Consumption in production in 2022 - **3.45 hl/hl**. Reduced **20%** vs 2014 baseline and 5% vs 2021.

Zero Waste to Landfill



All production waste is **100%** recycled and upcycled.

SOCIAL

Tiger Chinese Education Charity Concert (Tiger CECC)



Tiger CECC 2022 **raised RM20 million** for 8 schools. In total raised more than RM380 million for Chinese schools since 1994.

HEINEKEN Cares 2022/23

Launched HEINEKEN Cares 2022/23 with a goal of **200 million steps** by the employees to deliver over **600,000 meals** to empower local communities across Malaysia to start and maintain their own sustainable food sources.



Collaborated with seven non-government organisations (NGOs) and community partners to support communities in building capacity for long-term food security.

RESPONSIBLE

THE EDGE



Partnered with **Grab** to purchase **10,000 promo codes** for brand events and to promote Enjoy Responsibly and Get Home Safely during the year-end festive season.

RECOGNITION



Double win at the United Nations Global Compact Malaysia Brunei Sustainability Performance Awards 2022

- Recognised for our water stewardship and zero waste to landfill.
- Recognising the continuous efforts on our water initiatives internally and externally.

Commercial Activation

Heineken®'s Refresh Your Music, Refresh Your Nights Campaign

Heineken® teamed up with world-famous electropop duo The Chainsmokers to launch its "Refresh Your Music, Refresh Your Nights" campaign, where fans of different cultures, tribes, and music preferences came together to expand their music tastes. The campaign featured four local artists – two from Vietnam and two from Malaysia who refreshed The Chainsmokers' hit songs in their own distinctive style.

As part of the campaign, fans could co-create a playlist to discover new genres of music through the Heineken® Playlist Refresher on Spotify. Additionally, fans could vote for their favourite refreshed rendition by the local artists on the Refresh Hub to stand to win VIP passes to the Heineken® Refresh event.

Fans could also sign up to receive exclusive invites to the Heineken® Refresh event in Genting Highlands on 9 December 2022 featuring The Chainsmokers alongside local artists.



Star Academy's Guinness Perfect Pour Programme

From August to October, the Guinness Perfect Pour programme successfully trained 670 bartenders from 233 bar outlets nationwide to uphold the standards of serving Guinness while searching for the best Guinness bartender. Upon completion of the training sessions, two finalists from Kuala Lumpur and one finalist from Sabah, Sarawak, Johor, Penang, and Ipoh respectively were invited to join the grand finale celebration.

At the grand finale, Richard Jugie from The Sarawak Club was crowned as the champion and Ang Ai Keow from Souliquid Puchong earned the first runner-up title. Both winners received the much-coveted prize of an all-expense-paid trip to the Home of Guinness in Dublin, Ireland.

At the celebration, attendees could participate in a mini perfect pour challenge to try out the unique six-step Guinness Perfect Pour and learn how to bring out the perfect Guinness flavour, aroma, and presentation while trying their hand at breaking the high score to win exclusive premiums.



Tiger's Street Food Festival

After two years of hosting its fan-favourite Street Food Festival virtually, Tiger made a big comeback with the return its iconic street food festival as an on-ground event.

Ahead of the on-ground festival, fans participated in a street food hunt where they could recommend their favourite street food spots on the campaign's microsite for others to try, creating a directory of bold street food dishes.

At the festival, fans were treated to an elevated food experience with maze-like alleyways and other curated experiences ranging from dance challenges to open mic karaoke. The campaign also featured limited-edition packaging of Tiger Beer and Tiger Crystal cans and bottles, inspired by local street food dishes.



Tiger's 'Cheers to the Bold' Campaign

To celebrate the most anticipated football season, Tiger hosted a series of epic live viewing parties at Sentul Depot where 1,000 fans gathered to watch their favourite teams go all out on the field. The viewing party was elevated with exciting games where fans could redeem exclusive Tiger Football merchandise and food as they watched the final match on a giant LED screen while enjoying ice-cold Tiger Beer.

At the VIP viewing lounge, four football lovers redeemed the package for an epic viewing experience alongside 9 friends each where they enjoyed beer and food on the house as they witnessed the celebration. Eleven footie fans also enjoyed the home party package where Tiger decked out their homes with football décor, accompanied by Tiger Beer and Tiger Crystal, and food for them and 9 friends.

While counting down to the final showdown, fans participated in exciting games where they stood a chance to win exclusive merchandise such as a signed football from Son Heung-min or a signed Son Heung-min Tiger jersey, among many other prizes



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