



Group Revenue

**RM2.80  
billion****Dato' Sri Idris Jala**  
Chairman

Group Profit Before Tax

**RM584  
million**

Group Net Profit

**RM467  
million**

## ***Our Chairman's Message***

Dear Shareholders,

As we reflect on 2024, the year was marked by uncertainties stemming from ongoing geopolitical conflicts and escalating trade tensions, which affected prices and inflation rates. Currency fluctuations and rising living costs strained consumer sentiment and spending, adding to an already challenging economic landscape. Despite these headwinds, Malaysia demonstrated resilience by implementing key economic reforms to foster stability and growth. Against this backdrop, HEINEKEN Malaysia delivered a strong financial performance, achieving a record year and earning multiple accolades for its leadership in sustainability, digital transformation and responsible business practices."

## Our Chairman's Message

The global economy in 2024 continued to face uncertainties due to the ongoing geopolitical conflicts in Russia-Ukraine and the Middle East, alongside escalating trade tensions between the United States (US) and China. These geopolitical risks disrupted supply chains, affected energy and food security, leading to higher prices and increasing inflation rates. Malaysia, like many other countries, experienced economic challenges, including a weakening ringgit against the US dollar due to higher demand for the greenback. This currency fluctuation, combined with rising living costs, further affected consumer sentiment and spending.

Despite these challenges, Malaysia underwent political and economic changes that further shaped our nation's landscape in 2024. The Government implemented diesel subsidy reforms, targeting subsidies more effectively at specific groups and industries. Malaysia also became a partner of the BRICS economic bloc, aiming to strengthen our economic ties and enhance our global standing. Malaysia remained resilient, navigating challenges and recording a 5.1% increase in gross domestic product (GDP) in 2024, up from 3.6% in 2023. This reflects the MADANI Government's confidence and determination to turn around the economy, driven by clear and progressive policies introduced under the Ekonomi MADANI framework.

### STRATEGIC GROWTH AND PERFORMANCE

To stay ahead in our rapidly changing business environment, we strategically aligned our initiatives with the overarching purpose: "Brewing the Joy of True Togetherness to Inspire a Better World". As an operating company of Heineken N.V., we embraced EverGreen, a multi-year strategy designed to tap into our strengths and capitalise opportunities for our next phase of growth. We are making significant progress towards becoming the best-connected brewer through end-to-end digital transformation, benefitting both our customers and consumers. At the same time, we are strengthening our sustainability and responsibility pillars by integrating environmental, social and governance (ESG) principles into our business to create long-term value. Through EverGreen, we aim to drive sustainable and superior growth by focusing on evolving consumer needs, investing in our brands and capabilities and maintaining a cost and value-driven approach to support our growth strategy.

Against this backdrop, I am pleased to report that HEINEKEN Malaysia Group delivered a solid financial performance for the financial year ended 31 December 2024 (FY2024):

- Revenue increased by 6% to RM2.80 billion (2023: RM2.64 billion)
- Profit before tax rose by 14% to RM584 million (2023: RM511 million)
- Net profit soared by 21% to RM467 million (2023: RM387 million)

**This marks the highest net profit recorded by the Group, driven by strategic commercial initiatives, effective cost management, a recovery in consumer confidence and the recognition of deferred tax income related to reinvestment allowance.**

### DIVIDEND DECLARATION

The Board of Directors (Board) has proposed a single tier final dividend of 115 sen per stock unit for FY2024, subject to the approval of shareholders at the upcoming 61<sup>st</sup> Annual General Meeting. The total dividend for the year amounts to 155 sen per stock unit, comprising:

- A single tier interim dividend of 40 sen per unit, paid on 30 October 2024; and
- A proposed single tier final dividend of 115 sen per stock unit, payable on 23 July 2025.

### HIGHLIGHTS

A single tier interim dividend of

**40 sen per unit**

paid on 30 October 2024

A proposed single tier final dividend of

**115 sen per stock unit**

payable on 23 July 2025



I would like to extend my deepest gratitude to our esteemed Management Team and all employees at HEINEKEN Malaysia for their unwavering dedication and exceptional hard work. Despite facing numerous challenges and uncertainties, the team has been instrumental in ensuring collaboration with business partners and valued customers to achieve our outstanding financial results.

## Our Chairman's Message

### LEADING THE WAY: OUR DEDICATION TO SUSTAINABILITY

Under our Brew a Better World 2030 sustainability strategy, we made progress across our core pillars of environmental sustainability, social sustainability and responsible consumption. As part of our climate action efforts, we updated our carbon baseline year from 2018 to 2022 to ensure an accurate measurement of our carbon footprint, integrating updated science-based targets into our approach. This change ensures that our progress towards net zero goal is measured against a more current and comprehensive baseline, providing a clearer picture of our environmental impact and the effectiveness of our sustainability initiatives. Therefore, we began reporting our carbon emissions reduction based on the 2022 baseline, effective from FY2024 reporting.

I am pleased to share that as part of our Net Zero Roadmap, we have reduced Scope 1 and Scope 2 emissions in production by 36% vs 2022 baseline in 2024. We have subscribed to Tenaga Nasional Berhad (TNB)'s Green Electricity Tariff (GET) programme since March 2022. To further drive emissions reduction, we installed 3,500 mono-perc solar panels in collaboration with a partner at our Sungei Way Brewery in 2024. As part of our Scope 3 journey to achieve net zero in our value chain by 2040, we collaborated with the United Nations Global Compact Network Malaysia and Brunei (UNGCMYB) on a supplier engagement programme to enhance our suppliers' awareness and capabilities in ESG. Additionally, in line with consumer preferences and sustainability goals, we have transitioned our secondary packaging for locally manufactured products from plastic shrink wrap to paper-based packaging.

Furthermore, our ambition for healthy watersheds remained a key focus, achieving a 29% improvement in water consumption versus our 2014 baseline while ensuring that we fully treat wastewater above the Department of Environment Malaysia standards. Beyond our brewery walls, our water balancing efforts included maintaining river water quality, expanding rainwater harvesting systems to support community farming and preserving key ecosystems such as the reforestation efforts at the Raja Musa Forest Reserve. Through continued investment in watershed protection in partnership with the Global Environment Centre, we further demonstrated our ambition to promote water security by working towards healthy watersheds through collective action with multiple stakeholders. Our ambition to improve social sustainability goes beyond environmental management and includes meaningful community impact. Through our HEINEKEN Cares programme, we partnered with four non-governmental organisations to strengthen community resilience in the areas of food security and water access, empowering communities with both the knowledge and tools needed to thrive. Additionally, our enduring collaboration with Sin Chew Daily over the past 30 years has been instrumental in the success of the Tiger Sin Chew Chinese Education Charity Concert (Tiger Sin Chew CECC) programme, which raised RM19 million for nine educational institutions in 2024. Our role in facilitating this platform is to bring communities together by showcasing the talents of local performing artists. These concerts are specially organised to honour and appreciate our generous donors. We are proud to share that, since 1994, over RM427 million was raised for this cause.



#### HIGHLIGHTS

Since 1994, over

**RM427 million**

was raised for educational institutions via Tiger Sin Chew CECC programme

#### HIGHLIGHTS

**Our responsible consumption campaign milestones:**

Launched

**a series of awareness videos**

for employees on responsible consumption

Invested

**>10%**

of Heineken® media spend to raise awareness on responsible consumption

Distributed

**RM140,000++**

worth of Grab e-hailing promo codes to consumers throughout the year during brand events, festive campaigns and corporate events



## Our Chairman's Message

As we strive to create a positive impact on the environment, we have consistently advocated responsible consumption through a multi-faceted approach. Heineken®'s bold partnership with Formula One has continued since 2016, advocating the "When You Drive, Never Drink" message, while dedicating more than 10% of Heineken® media spend to increase awareness of the importance of responsible consumption. Additionally, we promote Heineken® 0.0 as an alternative to encourage responsible consumption and empower consumers with clear and transparent information across our entire product portfolio. This approach enables consumers to confidently choose the right beer or cider for any occasion, whether with or without alcohol, reflecting our goal of offering options that cater to every preference and lifestyle.

To expand the reach of our responsible consumption message, we have also tapped into the growing influence of e-sports and competitive gaming. By launching Player 0.0 – a mobile simulator racing experience that connects the gaming world with Heineken® 0.0 – we aim to foster a culture of responsible drinking and safe driving in a way that resonates with the next generation of consumers.

These efforts, alongside our broader initiatives in net zero ambitions; waste management; and water stewardship, were acknowledged at the Sustainability & CSR Malaysia Awards 2024, where we were named Company of the Year for ESG Leadership in the manufacturing sector. We were also honoured in the Water Resilience and Sustainable Development Goals (SDG) Reporting Disclosure Recognition categories at the UNGCMYB Forward Faster Sustainability Awards 2024, highlighting our milestones on water stewardship for the third year in a row and transparent reporting. In addition, our sustainability initiatives were recognised at The Star's ESG Positive Impact Awards 2024, with three gold awards received for excellence in Water Management and Efficiency, Innovative Partnerships and Waste Management. The Company was also honoured with the Malaysian Dutch Business Council Innovation and Sustainability Award 2024, underscoring the impact of the Brew a Better World strategy.

At the core of our operations is a strong emphasis on diversity, equity and inclusion (DEI). With women making up 43% of our Board, we have surpassed the Government's target of 30% representation on boards of publicly listed companies. Equally important, 38% of our Management Team is comprised of women. These accomplishments are a testament to our ambition to foster a diverse and inclusive environment.

**We are also proud to have received several recognitions related to people management, including the Great Place to Work Certification, which acknowledges our efforts in creating an engaged workforce.**

Furthermore, for the third consecutive year, we were honoured with Gold for Excellence in Retention Strategy and Gold for Excellence in Total Rewards Strategy at the HR Excellence Awards 2024. These accolades reflect our unwavering focus on empowering our people and ensuring that we continue to build a culture of excellence.

As a responsible and progressive corporate citizen, HEINEKEN Malaysia Group contributed RM1.45 billion in taxes, accounting for 52% of its total revenue, to the Malaysian Government in 2024. The Government's decision to maintain excise duties on beer in Budget 2024 was appreciated by local breweries, including HEINEKEN Malaysia, given that Malaysia has one of the highest excise rates on beer globally. In addition, the ongoing efforts of the Royal Malaysian Customs Department, the Royal Malaysia Police, the Malaysian Maritime Enforcement Agency and other enforcement agencies in addressing the illicit beer trade have played a key role in stamping out the presence of illegal alcohol in the market, safeguarding public health and ensuring fair competition within the industry. We promote holistic enforcement and awareness efforts and strive to continue to monitor and support the authorities in combating the illicit alcohol trade.

### LEADERSHIP TRANSITION

On behalf of the Board, I warmly welcome Martijn Rene van Kuelen as the Managing Director of HEINEKEN Malaysia, succeeding Roland Bala following his appointment as Managing Director of Multi Bintang Indonesia on 1 July 2024. We are confident that under Martijn's leadership, the Group will continue to build on its strong foundation, driving sustainable and superior growth and delivering on our strategic priorities under the EverGreen strategy.

We extend our deepest gratitude to Roland Bala for his exemplary leadership and invaluable contributions. His dedication to sustainability, innovation and people development has left a lasting impact.

### LOOKING AHEAD

As we look ahead, we remain dedicated to creating long-term value for all and continue to be driven by our purpose – to Brew the Joy of True Togetherness to Inspire a Better World.

**Dato' Sri Idris Jala**

Chairman

11 March 2025