



HEINEKEN MALAYSIA BERHAD

Company No. 196401000020 (5350-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2026

The Board of Directors of Heineken Malaysia Berhad (“the Company”) wishes to announce the unaudited results of the Group for the quarter ended 31 March 2026.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD 3 MONTHS ENDED			CUMULATIVE PERIOD 3 MONTHS ENDED		
	31/03/2026	31/03/2025	% Change +/(–)	31/03/2026	31/03/2025	% Change +/(–)
	RM'000	RM'000		RM'000	RM'000	
1. Revenue	664,209	763,628	-13%	664,209	763,628	-13%
2. Operating expenses	(522,830)	(599,620)		(522,830)	(599,620)	
3. Operating profit	141,379	164,008	-14%	141,379	164,008	-14%
4. Interest expense	(3,793)	(3,075)		(3,793)	(3,075)	
5. Profit before tax	137,586	160,933	-15%	137,586	160,933	-15%
6. Taxation	(33,131)	(38,779)		(33,131)	(38,779)	
7. Net profit for the period	<u>104,455</u>	<u>122,154</u>	-15%	<u>104,455</u>	<u>122,154</u>	-15%
8. Profit attributable to owners of the Company	<u>104,455</u>	<u>122,154</u>		<u>104,455</u>	<u>122,154</u>	
9. Total comprehensive income attributable to owners of the Company	<u>104,455</u>	<u>122,154</u>		<u>104,455</u>	<u>122,154</u>	
10. Earnings per share:						
(a) Basic (based on 302,098,000 stock units) (sen)	34.58	40.44		34.58	40.44	
(b) Fully diluted	N/A	N/A		N/A	N/A	

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group’s Annual Audited Financial Statements for year ended 31 December 2025.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT 31 March 2026 RM'000	AUDITED AS AT 31 DECEMBER 2025 RM'000
Non-current assets		
Property, plant and equipment	570,572	588,965
Intangible assets	25,493	24,552
Right-of-use asset	18,141	18,911
Deferred tax assets	557	704
Other receivables	1,724	1,411
	616,487	634,543
Current assets		
Inventories	127,993	148,843
Trade and other receivables	370,387	521,305
Current tax assets	11,012	21,700
Cash and cash equivalents	126,911	15,403
	636,303	707,251
Current liabilities		
Trade and other payables	585,612	631,262
Current tax liabilities	4,177	1,259
Lease Liabilities	4,964	4,910
Borrowings	-	150,000
	594,753	787,431
Net current assets/(liabilities)	41,550	(80,180)
	658,037	554,363
Financed by:		
Capital and reserves		
Share capital	151,049	151,049
Reserves	484,203	379,748
Shareholders' funds	635,252	530,797
Non-current liabilities		
Deferred tax liabilities	18,898	18,934
Lease liabilities	3,887	4,632
	22,785	23,566
	658,037	554,363
Net Assets per share attributable to owners of the Company (RM)	2.10	1.76

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Annual Audited Financial Statements for the year ended 31 December 2025.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	3 MONTHS ENDED 31 MARCH 2026 RM'000	3 MONTHS ENDED 31 MARCH 2025 RM'000
Cash flows from operating activities		
Profit before tax	137,586	160,933
Adjustments for:		
Depreciation of property, plant and equipment	20,596	25,323
Amortisation of intangible assets	1,420	1,510
Inventories written off	461	-
Depreciation of right-of-use assets	1,392	-
Interest expense	4,040	3,265
Unrealised foreign exchange differences	170	605
Gain on termination of leases	-	(11)
Gain on disposal of property, plant and equipment	1,346	121
Interest income	(248)	(190)
Operating profit before changes in working capital	166,763	191,556
Movements in working capital		
Inventories	20,389	68,112
Receivables, deposits and prepayment	150,605	(47,042)
Payables and accruals	(45,819)	(53,916)
Cash generated from operations	291,938	158,710
Tax paid	(19,414)	(34,069)
Interest paid	(4,040)	(3,265)
Net cash from operating activities	268,484	121,376
Cash flows from investing activities		
Acquisition of property, plant and equipment	(4,846)	(16,540)
Acquisition of intangible assets	(1,064)	(279)
Interest received	248	190
Proceeds from disposal of property, plant and equipment	-	5
Net cash used in investing activities	(5,662)	(16,624)
Cash flows from financing activity		
Dividend paid	-	-
Payment of lease liabilities	(1,314)	(1,524)
Increase / (Repayment) of borrowings	(150,000)	(80,000)
Net cash used in financing activity	(151,314)	(81,524)
Net change in cash and cash equivalents	111,508	23,228
Cash and cash equivalents at beginning of year	15,403	32,486
Cash and cash equivalents at end of period	126,911	55,714

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Annual Audited Financial Statements for the year ended 31 December 2025.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company			
	<i>Non-Distributable</i> Share Capital RM'000	<i>Capital</i> Reserve RM'000	<i>Distributable</i> Retained Earnings RM'000	Total RM'000
3 months ended				
<u>31 March 2026</u>				
Balance at 1 January 2026	151,049	1,930	377,818	530,797
Total comprehensive income for the period	-	-	104,455	104,455
Effects of share-based payments	-	-	-	-
Dividends paid/ payable	-	-	-	-
Balance at 31 March 2026	151,049	1,930	482,273	635,252
3 months ended				
<u>31 March 2025</u>				
Balance at 1 January 2025	151,049	1,562	386,727	539,338
Total comprehensive income for the period	-	-	122,154	122,154
Effects of share-based payments	-	-	-	-
Dividends paid/ payable	-	-	-	-
Balance at 31 March 2025	151,049	1,562	508,881	661,492

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Annual Audited Financial Statements for the year ended 31 December 2025.

Notes:

1. Basis of Preparation

The interim financial report has been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) 134 “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Annual Audited Financial Statements of the Company and its subsidiaries (“the Group”) as at and for the year ended 31 December 2025.

2. Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2025 save for the adoption of the following amendments to the Malaysian Financial Reporting Standards (“MFRS”):

- | | Effective Date |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| ▪ Amendments to MFRS 9, <i>Financial Instruments</i> and MFRS 7, <i>Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments</i> | 1 January 2026 |
| ▪ Amendments that are part of Annual Improvements — Volume 11: <ul style="list-style-type: none">• Amendments to MFRS 1, <i>First-time Adoption of Malaysian Financial Reporting Standards</i>• Amendments to MFRS 7, <i>Financial Instruments: Disclosures</i>• Amendments to MFRS 9, <i>Financial Instruments</i>• Amendments to MFRS 10, <i>Consolidated Financial Statements</i>• Amendments to MFRS 107, <i>Statement of Cash Flows</i> | |
| ▪ Amendments to MFRS 9, <i>Financial Instruments</i> and MFRS 7, <i>Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity</i> | |

The adoption of the above amendments is not expected to have any material effect on the financial statements of the Group.

3. Audit Report on Preceding Annual Financial Statements

The Group’s Annual Audited Financial Statements for the year ended 31 December 2025 were not qualified.

4. Seasonal or Cyclical Factors

The business operations of the Group are generally affected by festive seasons.

5. Exceptional Items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows

There were no exceptional items for the current financial quarter under review.

6. Changes in Estimates

There were no changes in estimates that have had any material effect on current financial quarter under review.

7. Debt and Equity Securities

There was no issuance, repayment of debt and equity securities for the current financial quarter under review, except for those as disclosed under Note 21.

8. Dividends Paid

No dividends were paid during the financial quarter under review.

9. Segmental Reporting

No segmental analysis is prepared as the Group's business is primarily engaged in malt liquor brewing including production, packaging, marketing and distribution of its products principally in Malaysia. The Management Team of the Company reviews the financial information as a whole for decision making.

10. Property, Plant and Equipment Valuation

There were no changes in the valuation of property, plant and equipment for the current financial quarter under review.

11. Events Subsequent to the End of the Period

Between the end of the financial quarter under review and the date of this announcement, there has not been any item, transaction or event of a material and unusual nature which, in the opinion of the Directors is likely to affect substantially the results of the operations of the Group for the quarter ended 31 March 2026.

12. Changes in the Composition of the Group

There was no change to the composition of the Group during the financial period under review including business combination, acquisition or disposal of subsidiaries and long-term investments.

13. Changes in Contingent Liabilities or Contingent Assets

Other than the material litigation disclosed under Note 24 of this report, there are no other contingent liabilities for the quarter under review.

14. Capital Commitments

Capital commitments not provided for in the financial statements as at 31 March 2026 are as follows:

	<u>RM'000</u>
Property, plant and equipment Authorised and contracted for	8,435

15. Significant Related Party Transactions

As at the end of the quarter under review, the Group has entered into/or completed the following significant Related Party Transactions:

	<u>Heineken N.V. and its related corporations RM'000</u>
Sales of beverage products	147
Fees received/receivable for professional services	233
Purchase of beverage products, manufacturing and marketing materials	5,752
Royalties paid/payable	12,870
Fees paid/payable for professional services relating to technical, marketing and other advisory support	34,462

15. Significant Related Party Transactions (Continued)

All Related Party Transactions had been entered into in the ordinary course of business on normal commercial terms and are within the scope of the general mandate approved by the shareholders of the Company on 7 May 2025.

16. Review of Performance

Quarter ended 31 March 2026 (Q1 2026) versus quarter ended 31 March 2025 (Q1 2025)

	3 months ended 31 March 2026 RM'000	3 months ended 31 March 2025 RM'000	% Change + / (-)
Revenue	664,209	763,628	-13%
Profit before tax	137,586	160,933	-15%
Net profit	104,455	122,154	-15%

For Q1 2026, Group revenue decreased by 13% year-on-year, mainly due to softer consumer sentiment and a deliberate and proactive reduction of the Group's sales ex-brewery to align with the challenging market dynamics, laying a foundation for stronger underlying momentum going forward.

Profit before tax and net profit each decreased by 15%, in line with the lower revenue base, with support from revenue management and continued cost discipline.

Quarter ended 31 March 2026 (Q1 2026) versus 31 December 2025 (Q4 2025)

	3 months ended 31 March 2026 RM'000	3 months ended 31 December 2025 RM'000	% Change + / (-)
Revenue	664,209	839,049	-21%
Profit before tax	137,586	188,595	-27%
Net profit	104,455	141,246	-26%

Comparing to Q4 2025, Group revenue decreased by 21%. The decrease reflects sales normalisation following a festive-driven year-end quarter, as well as the Group's deliberate and proactive reduction of sales ex-brewery to align with the challenging market dynamics.

Profit before tax and net profit declined by 27% and 26%, respectively, primarily due to the lower revenue base, partly mitigated by revenue management actions and continued cost discipline.

17. Prospects

The market outlook remains soft, with continued uncertainty amid geopolitical challenges particularly in the Middle East crisis and subdued consumer sentiment. These conditions are expected to continue weighing on demand and cost pressures, underscoring the need for sharper focus and execution. Guided by the EverGreen 2030 strategy, the Group remains focused on disciplined and agile execution to strengthen fundamentals, step up productivity and build a more resilient, future-fit organisation.

Following the announcement on the transition of Asia Pacific Breweries (Singapore) Pte Ltd to an import-based supply model, the Group's exports are expected to start in Q3 2026. This development supports the Group's EverGreen 2030 strategy to optimise supply chain capacity, enhance economies of scale and improve operational efficiency.

18. Variance from Profit Forecast

No profit forecast was issued during the financial quarter under review.

19. Taxation

Taxation in respect of the current financial quarter comprises the following:

	3 months ended 31 March 2026 RM'000
Taxation	
Malaysian – Current	(33,021)
Deferred taxation	
Malaysian – Current	(110)
	<u>(33,131)</u>

The Group's effective tax rate for the quarter under review is broadly in line with the statutory tax rate.

20. Status of Corporate Proposals

There were no corporate proposals which have not been completed at the date of this report.

21. Group Borrowings and Debt Securities

The Group has no borrowings during the period under review. The Group has repaid the borrowings amounted to RM150 million during the period under review.

22. Financial Instruments

The outstanding derivatives at the end of the reporting period are as follows:

	Notional value RM'000	Fair Value RM'000	Gain arising from fair value changes RM'000
Forward foreign exchange contracts – Less than one year	868	883	15

The above-mentioned foreign exchange contracts were entered into by the Group to minimise its exposure to foreign currency risks as a result of transactions denominated in currencies other than its functional currency, arising from the normal business activities, in accordance with the Group's foreign currency hedging policy.

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Foreign currency differences arising from retranslation are recognised in comprehensive income, except for differences arising from the retranslation of a financial instrument designated as a hedge of currency risk, which is recognised in other comprehensive income.

There is minimal credit and market risk as the forward contracts are executed with the Group's relationship financial institutions, namely Citibank Berhad, BNP Paribas Malaysia Berhad, United Overseas Bank (Malaysia) Bhd and HSBC Bank Malaysia Berhad. The Group is of the view that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

23. Notes to the Statement of Comprehensive Income

	3 months ended 31 March 2026 RM'000
Depreciation and amortization	23,408
Provision for and write off of inventories	461
Gain on derivatives	15

Other than the items highlighted above which have been included in the Consolidated Statement of Comprehensive Income, there were no impairment of assets nor profits/losses on any other items and sale of quoted securities, investments and properties included in the results for the quarter ended 31 March 2026.

24. Material Litigation

There is no material development relating to the material litigation as reported under Note 23 of the Group's Annual Audited Financial Statements for the financial year 2025 dated 27 February 2026. The trial for the case commenced on 19 November 2024, with hearings held throughout 2025 and into January until April 2026. Trial will continue in the months of May and June 2026.

25. Dividend

The Board of Directors does not recommend any dividend in respect of the quarter ended 31 March 2026.

26. Earnings Per Share

(a) Basic Earnings Per Share

Basic earnings per share for the period ended 31 March 2026 is calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary stock units outstanding as at 31 March 2026 of 302,098,000.

(b) Diluted Earnings Per Share

There were no diluted earnings per ordinary stock unit for the Group as at 31 March 2026.

For and on Behalf of the Board
Martijn Rene van Keulen
Managing Director

19 May 2026