

For immediate release

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HEINEKEN MALAYSIA BERHAD REPORTS DOUBLE DIGIT GROWTH IN Q3

- 3QFY19 revenue increased 18% to RM603 million (3QFY18: RM512 million)
- Profit before tax grew by 39% to RM136 million (3QFY18: RM98 million)
- Net profit increased by 31% to RM103 million (3QFY18: RM79 million)

Heineken Malaysia Berhad (HEINEKEN Malaysia) announced its third quarter results for the period ended 30 September 2019 (3QFY19), reporting double-digit growth in revenue, profit before tax (PBT), and net profit compared with the same period in 2018.

Revenue for the quarter increased 18% to RM603 million (3QFY18: RM512 million), and organic revenue was up 11% excluding the impact of the Sales and Services Tax (SST). Revenue growth for the quarter was driven by improved sales performance across all core brands and new product launches.

PBT for 3QFY19 grew 39% to RM136 million (3QFY18: RM98 million) on the back of revenue growth and improved cost efficiency, as well as the timing of commercial spend for new product launches which although executed in Q3 were incurred in Q2. Net profit for the period increased by 31% to RM103 million (3QFY18: RM79 million).

For the nine months ended 30 September 2019, revenue increased 20% to RM1.64 billion, mainly due to robust sales performance of the core brands and new product launches in Q3. Excluding the SST impact, revenue for the nine months grew by 13%, while PBT increased by 24% to RM292 million compared to the same period last year, largely the result of higher sales and improved cost efficiency.

Roland Bala, Managing Director of HEINEKEN Malaysia commented, “The Company’s commendable performance in the third quarter reflects strong execution of commercial priorities and operational efficiencies in a challenging environment. During the quarter, we were pleased to launch exciting innovations providing our consumers exceptional experiences with our world-class brand campaigns and activations. A key milestone in the quarter was the launch of the non-alcoholic Heineken® 0.0 and the ultra-refreshing Tiger Crystal.”

It was also an eventful quarter for HEINEKEN Malaysia at the Putra Brand Awards 2019, with its flagship brand Heineken® winning a Platinum, whilst Tiger Beer and Guinness respectively brought home Gold. The company’s brand successes this year demonstrate once again that our world-class brands are recognised by Malaysian consumers as amongst the best brands in the country. Since 2010, HEINEKEN Malaysia has won a total of 30 awards at the Putra Brand Awards.

“Our performance in the past nine months has been good. We are also proud to have recently launched our e-Commerce platform, Drinkies.my, which allows consumers to “bring the bar experience home by providing a solution to the number one pain point of home consumption, which is carrying heavy beverages home.” Roland added.

HEINEKEN Malaysia remains cautious on the outlook given the softening economic environment, competitive market conditions and the continued threat from the illicit trade (duty not paid). The fourth quarter is traditionally the peak selling period and the Group will continue to focus on sharpening our commercial execution in preparation for an earlier 2020 Chinese New Year festive sell-in and improving operational efficiency across the business.

“Revenue for the final quarter is expected to be strong. However, the intensified commercial activations planned for Q4 will impact on profitability for the quarter. Overall, the Group is confident of delivering a satisfactory performance for the full year.” Roland commented.

Roland also commended the Government for its on-going efforts in addressing illicit alcohol activities which has contributed to a significant reduction in illicit trade; and its move not to increase excise duties on beer and stout, which is already the second highest in the world. Going forward, the Group will continue to support the Government’s move against illicit alcohol and to drive awareness through proactive engagements with relevant stakeholders including consumers.

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Heineken Malaysia Berhad

HEINEKEN Malaysia with its portfolio of iconic international brands is the leading brewer in the country. The Company brews, markets and distributes:

- The World’s No. 1 international premium beer **Heineken®**
- The great taste of Heineken® with zero alcohol **Heineken® 0.0**
- The World-acclaimed iconic Asian beer **Tiger Beer**
- The crystal-cold filtered beer **Tiger Crystal**
- The World’s No. 1 stout **Guinness**
- The World’s No. 1 cider **Strongbow Apple Ciders**
- The New Zealand inspired cider **Apple Fox Cider**
- The all-time local favourite **Anchor Smooth**
- The premium Irish ale **Kilkenny**
- The real shandy **Anglia**

HEINEKEN Malaysia also produces the wholesome, premium quality non-alcoholic **Malta**. HEINEKEN Malaysia’s brand portfolio also includes the No. 1 German wheat beer **Paulaner** and Japan’s No. 1 100% malt beer **Kirin Ichiban**. The Company continues to lead the responsible drinking agenda through its Drink Sensibly campaign.



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Listed on the Main Market of Bursa Malaysia, HEINEKEN Malaysia's principal shareholder is GAPL Pte Ltd based in Singapore. GAPL Pte Ltd is 100% owned by Heineken N.V.

For more information please visit: www.heinekenmalaysia.com

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