

**G·A·B**<sup>U</sup>  
GUINNESS  
ANCHOR  
BERHAD

# Roaring Ahead...

Annual Report **2010**



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# ...& Celebrating Great Moments Together

As we celebrate the Year of the Tiger in 2010, we remain steadfast in our journey towards becoming an Icon in Business. At GAB, we will continue to be vigorous in our drive for success, assertive in our presence and unwavering in our respect for our stakeholders.





## ICONIC BRANDS THAT SET US APART

As we journey to becoming an Icon in Business, our world-renowned portfolio of brands continues to set us apart from the competition and drive our market growth. Perfectly brewed to accompany different moments for different consumers, our brands champion the traditions of quality, excellence and consistency that GAB is respected for. This diverse portfolio of global icons promises to continue to captivate and satisfy consumers.

# Our Brand Portfolio

## BREWED FOR SUCCESS

### Tiger Beer

Distinctively Asian, unmistakably world class. Since 1932, this lager has been winning ardent admirers around the globe. Its many accolades include the prestigious 2008 New Zealand International Beer Award and the Gold Medal at the World Beer Cup 2010. Today, embodying the same clean and crisp taste and an invigorating look, Tiger Beer continues to delight discerning drinkers who seek perfection in a lager.

Tiger Crystal is a limited edition brew, introduced to celebrate the Year of the Tiger. This brew retains the unique taste of Tiger while satisfying the global trend for lighter tasting beers. Symbolising purity and quality, consumers in the markets have responded positively to the refreshing, new experience, which is served in a transparent, platinum bottle.

### Guinness

Black, bold, distinctive. This 251-year old global icon and world-leading stout is a compelling story of invention, passion and belief. Famous for its Irish provenance and exceptional colour, this most prestigious of black beers is brewed in over 50 countries and enjoyed in around 150 worldwide. GAB's win of the coveted global Guinness League of Excellence Award three years in a row, assures aficionados that this premium Irish brew is at the top of its league.

### Heineken

The perfect expression of taste. Drawing from its rich Dutch heritage, Heineken is brewed to perfection with its precise blend of malted barley, hops, purified water and the legendary Heineken A-yeast. Satisfying generations of taste buds; this iconic green bottle has come to represent the finest and most distinctive of tastes. With a second-to-none dedication to quality, the World's No. 1 international premium beer is set to refresh palates the world over for years to come.





GUINNESS

KILKENNY

DRAUGHT

KILKENNY

LONGBOW

STRONGHOLD

MALTA

ANGLIA  
THE REAL SHANDY

PAULANER  
Bayerischer  
Kulzbier

IMPORTED BEER  
GOSWAMI

### Anchor Smooth

This timeless pilsner is one of Malaysia's pioneer beer brands and a beloved local favourite. With its refreshing taste and vitality, plus much smoother flavour, this all-time favourite is the perfect accompaniment for local, mouth-watering dishes and relaxed occasions.

### Anchor Strong Beer

Fuller and stronger in taste, this bolder variant of the Anchor brand meets the expectations of those who demand a quality strong beer. Brewed longer with a cold filtration process to remove all excess yeast, Anchor Strong Beer makes the most of its renowned brewing process to present drinkers with a more robust alternative.

### Kilkenny

Hailed the undisputed "Cream of Beers", this premium Irish ale is recognised by its distinguishing velvety-smooth amber shade under a creamier head. Named after Kilkenny, its hometown, Ireland's prized premium draught is available on tap at selected outlets and is fast becoming a favourite with local beer lovers searching for the ever-smooth Irish beer.

### Malta

Malaysia's leading malt beverage continues to delight on-the-go individuals with its natural goodness and vibrant look. The perfect energy boost, this non-alcoholic wholesome beverage refreshes with its hearty helping of Vitamins B1, B3 and B6.

### Anglia Shandy

The perfect accompaniment for any occasion, Malaysia's No.1 shandy, offers a unique and refreshing drinking experience with its distinct blend of fizzy lemonade and beer. Fondly known as the "Real Shandy", Anglia is an all-time favourite during Malaysia's many festive occasions.

### Paulaner

The fine range of Paulaner beers are exclusively brewed by Paulaner in Munich, one of Germany's leading breweries and the largest brewery in Bavaria. Brewed since 1634 with only natural and pure ingredients and in strict compliance with the Bavarian Purity Law, Paulaner guarantees absolute quality and an incontestable taste. Its refreshingly sparkling Bavarian wheat beer specialties – wheat beer natural and wheat beer dark – are among the most popular beers in the Paulaner range and the preferred choice of sophisticated beer drinkers.

### Sol

The Original Mexican beer since 1899 and the "Sol of the Party". Sol brings perfect ice-cold refreshment in a stylish, clear long-neck bottle and a golden easy-to drink liquid. Combining a light and refreshing taste with a young and modern attitude, this imported premium beer is the perfect drink for sociable and active urban consumers looking to have fun.

### Strongbow

The world's best selling cider, this classic UK cider is made from fermented apple juice and delivers instant refreshment with its authentic English recipe. It boasts a perfect blend of 50 different varieties of apples and the highest quality standards guaranteeing a great taste with body and balance. With its clear golden appearance and naturally light carbonation, this iconic brand is the perfect choice for current cider drinkers as well as those looking for a new on tap drinking experience in the premium segment.



#### DIAGEO ASIA PACIFIC MARKET OF THE YEAR

GAB won the Diageo Asia Pacific Market of the Year Award for 2009. The award reflects GAB's consistency and continuous improvements in business performance, brand building, organisational development and community enrichment.



#### TIGER QUALITY AWARD

GAB has for the second consecutive year received the Tiger Quality Award as well as the Tiger In-Market Quality, making it the first time ever a brewery within our global network has ever achieved such a feat.

# Celebrating Our Achievements

**PUTRA BRAND AWARDS  
GOLD (TIGER),  
SILVER (HEINEKEN),  
BRONZE (GUINNESS)**

At the inaugural Putra Brand Awards for brand equity measurement in Malaysia based on consumer preferences, GAB won a Gold for Tiger Beer, Silver for Heineken and Bronze for Guinness.



**STARBIZ-ICRM CR AWARDS IN  
THE WORKPLACE CATEGORY**

The StarBiz-ICR Malaysia Corporate Responsibility Awards 2009 in the Workplace Category was presented to GAB. The Workplace Category acknowledged that GAB had put into place policies, procedures and initiatives to promote workplace best practices.



**GLOBAL CSR AWARDS  
- WORKPLACE BEST  
PRACTICES CATEGORY**

GAB won the silver CSR Award in the Workplace Excellence Category, which recognises the value of CSR programmes by firms with operations in Asia and honours them for outstanding, innovative and world class products implemented in 2008/ 2009.



**MALAYSIA HR AWARDS  
- HR EXCELLENCE CATEGORY**

GAB won the Silver Recognition in the HR Excellence Category of the Malaysia HR Awards 2010 which recognises sustained and continuous commitment to develop human talent in tandem with the nation's needs.



Tiger



JOINT

Heineken

MONKEY BAR  
PUB & RESTAURANT

# Our Vision & Values



GAB is an Icon in Business.  
Respected the world over for  
delivering exceptional growth  
in People, Brands and Performance.

**We have a passion  
for winning**

We are winners, driven by a passion to be the best in everything we do.

**We value and  
respect each other**

Our people and society are diverse and different, and we value and celebrate all our differences. We respect our environment and are committed to protect it. We value the community in which we operate and strive to enrich it. We aim for our people to have balance in their work and their personal lives.

**We show integrity  
in all that we do**

We are responsible, trustworthy and honest in everything we say and do and in the way we manage our business.

**We provide enjoyment**

We create an environment where our people enjoy their work, our partners enjoy working with us and our consumers enjoy our products.



# Celebrate the Year of the Tiger

## Celebrating the Year of the Tiger

GAB joined in the festivities to usher in the auspicious period through a series of nation wide engagements with our employees, trade partners and customers, with Tiger Beer, the official beer of the Year of the Tiger, taking the lead.







# Celebrating **Arthur's Day**

Massive parties were held in five countries to commemorate the remarkable achievements of Arthur Guinness, with Malaysia given the honour of hosting the Asian leg of the global celebration. In the true spirit of the Guinness brand, GAB celebrated Arthur's Day by uniting Malaysians from different backgrounds with an unforgettable celebration.

Over 15,000 people from around the region partied with the Black Eyed Peas.



# Celebrating Winning Moments

GAB celebrated every goal during the exciting football events of 2010 by bringing the beautiful game to Malaysian fans through the award winning Tiger FC programme, with matches from the Barclay's Premier League to the 2010 FIFA World Cup™ viewing parties which featured high definition live telecasts of all the matches.



# Green Room





# Celebrating **New Inspirations**

GAB has been the driving force behind new music experiences for consumers in Malaysia, with events that brought together music from the international and local arenas. In a marriage of cutting edge sounds and event production, they promote local, regional and international talent.

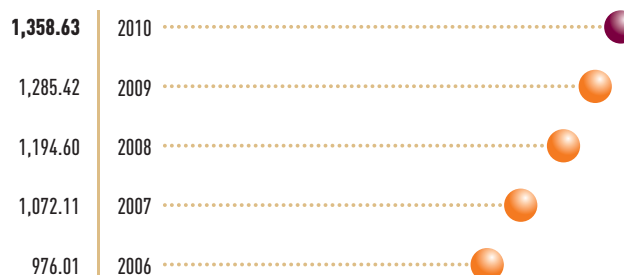




# Financial Highlights

FINANCIAL YEAR ENDED 30 JUNE

Revenue  
(RM Million)

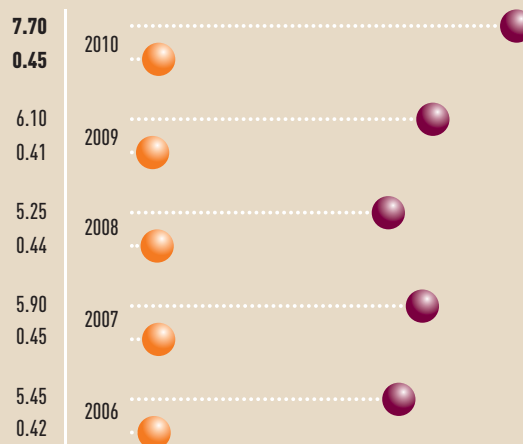


Profit Before Taxation & Profit After Taxation  
(RM Million)



● Profit Before Taxation ● Profit After Taxation

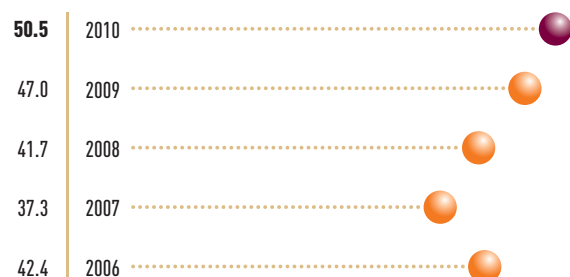
Share Price as at 30 June & Gross Dividend  
(RM)



● Share Price ● Gross Dividend

## Earnings Per 50 Sen Stock Unit

(Sen)



## Net Dividend/Profit After Taxation

(Ratio)



## 10 YEARS FINANCIAL TRACK RECORD

	Year ended 30.6.2001 RM'000	Year ended 30.6.2002 RM'000	Year ended 30.6.2003 RM'000	Year ended 30.6.2004 RM'000	Year ended 30.6.2005 RM'000	Year ended 30.6.2006 RM'000	Year ended 30.6.2007 RM'000	Year ended 30.6.2008 RM'000	Year ended 30.6.2009 RM'000	Year ended 30.6.2010 RM'000
Revenue	777,198	788,060	796,595	886,208	952,113	976,013	1,072,112	1,194,602	1,285,423	<b>1,358,633</b>
Profit before taxation	78,448	93,718	107,363	129,254	140,519	142,211	152,159	168,898	191,178	<b>204,991</b>
Taxation	19,767	21,317	29,357	30,835	32,551	14,014	39,598	43,041	49,190	<b>52,300</b>
Profit after taxation	58,681	72,401	78,006	98,419	107,968	128,197	112,561	125,857	141,988	<b>152,691</b>
Dividends	82,653*	82,655*	84,831*	91,837*	90,871	91,354	99,239	109,873	123,860	<b>135,944</b>
Net Dividend per 50 sen stock unit (sen)	27.4*	27.4*	28.1*	30.4*	30.1	30.2	32.8	36.4	41.0	<b>45.0</b>
Earnings per 50 sen stock unit (sen)	19.4	24.0	25.8	32.6	35.7	42.4	37.3	41.7	47.0	<b>50.5</b>
Reserves	166,665	124,748	146,200	159,064	176,403	213,246	234,060	260,285	291,252	<b>319,879</b>
Shareholders' funds	317,714	275,797	297,249	310,113	327,452	364,295	385,109	411,334	442,301	<b>470,928</b>
Net tangible assets per 50 sen stock unit (sen)	105.2	91.3	98.4	103.0	108.0	121.0	127.5	136.2	146.4	<b>155.9</b>

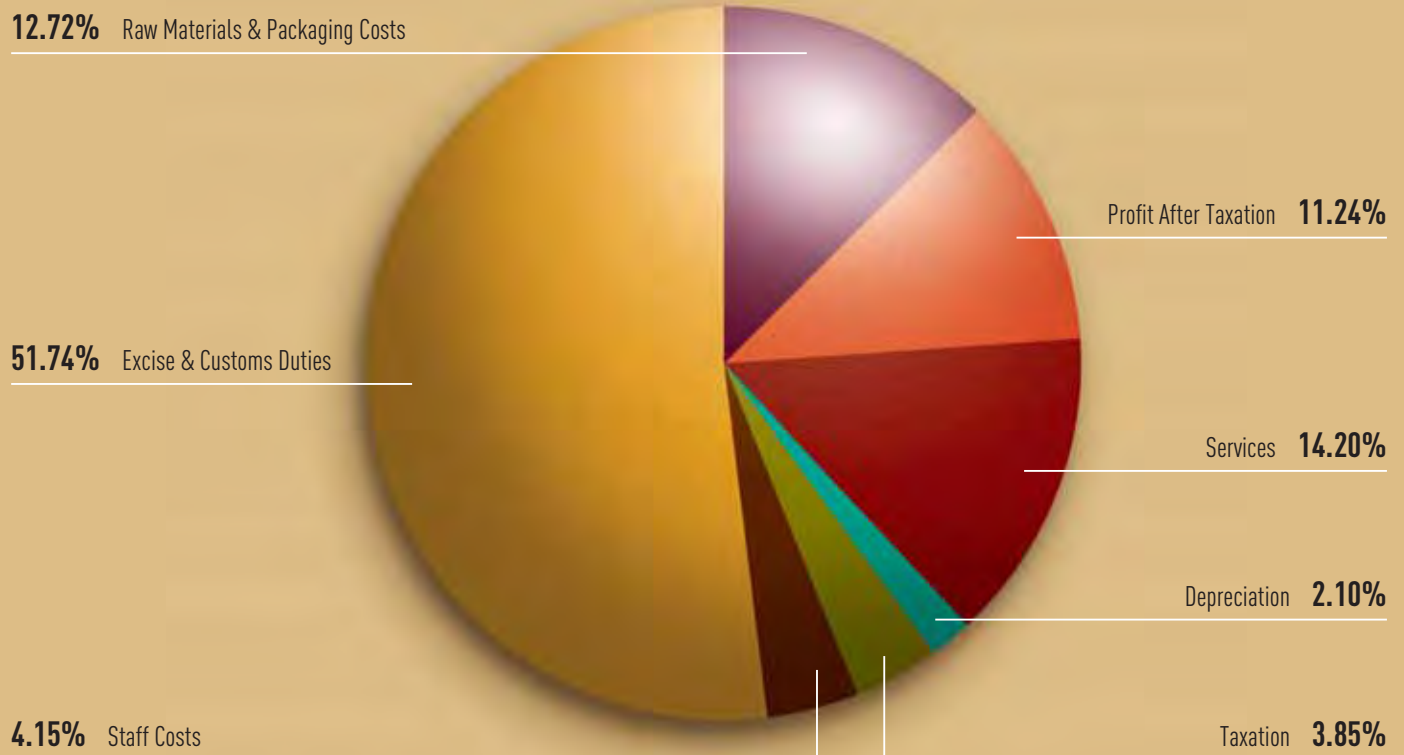
\* Includes special dividends

## Financial Highlights

### FINANCIAL ANALYSIS

	Year ended 30.6.2010 RM'000	Year ended 30.6.2009 RM'000	Change %
<b>Profit Statement</b>			
Revenue	1,358,633	1,285,423	5.7
Profit before interest & taxation (PBIT)	203,332	188,776	7.7
Profit before taxation (PBT)	204,991	191,178	7.2
Profit after taxation (PAT)	152,691	141,988	7.5
<b>Balance Sheet</b>			
Shareholders' funds	470,928	442,301	6.5
Market capitalisation	2,326,155	1,842,798	26.2
<b>Financial Ratio</b>			
	%	%	
Return on shareholders' funds			
- PBIT	43.2	42.7	0.5
- PBT	43.5	43.2	0.3
PBIT/Revenue	15.0	14.7	0.3
PBT/Revenue	15.1	14.9	0.2
PAT/Revenue	11.2	11.0	0.2
<b>Per 50 Sen Stock Unit</b>			
	Sen	Sen	
PBT	67.9	63.3	7.3
PAT	50.5	47.0	7.4
Net tangible assets	155.9	146.4	6.5
Dividend - gross	45.0	41.0	9.8
- net	45.0	41.0	9.8

### Disposal of Revenue for year ended 30 June 2010





Dear Shareholders,

Malaysia has been fortunate that the impact of the global financial crisis has been minimised through prudent Government intervention and policies. Indeed, while much of the world was still facing uncertainties, the country recorded positive GDP growth in the second half of 2009, providing a conducive environment for business performance.

It gives me tremendous pleasure to announce that Guinness Anchor Berhad (GAB) was able to capitalise on this opportunity and deliver a ninth consecutive year of growth, also our best ever performance in our 46 years history.

The sustained annual growth and very respectable improvements to our performance are testimony to the actions introduced to counter the challenges posed by the market conditions and spillover effects of the global economic downturn.

This achievement has once again allowed us to declare another healthy round of returns to our shareholders and it is very heartening to be able to inform you that our shareholders' returns on investment have reached a compounded average growth rate of 11.7 per cent over the last nine years.

# Letter from Chairman

## Letter from Chairman

### CONSISTENTLY BREWING SUCCESS

The growth and overall performance improvement achieved during the period under review was achieved through conscientious hard work, execution of innovative marketing strategies and careful brand positioning. With consumer sentiments and the economic outlook lifting at the beginning of calendar year 2010, we continued on our growth trajectory, further boosted by activities during the FIFA World Cup™ 2010 season.

As at 30 June 2010, GAB consolidated its position as the clear market leader further increasing its share; notably the Tiger brand recorded double digit growth on the back of marketing promotions to welcome the Chinese Year of the Tiger.

### GREAT PEOPLE, GREAT BRANDS AND A GREAT SYSTEM

The consolidation of our position as the Malt Liquor Market (MLM) leader is largely the result of strong leadership and committed teams, and their hard work was duly recognised when Malaysia was named as Diageo Asia Pacific Market of the Year 2009. This award recognises a business that has displayed consistent and continuous improvement in business performance, brand building, organisational development and community enrichment.

GAB's unrelenting quest to produce the best in all that we do was further recognised when Malaysia was given the honour of hosting the Asia Pacific Arthur's Day party, making it one of only five markets around the world to hold a party of such magnitude to celebrate 250 years of Guinness.

We are certainly proud of our achievements and it is always nice to be recognised for the effort. Having won the Guinness League of Excellence for three consecutive years since 2006 – which is in itself a record for our global network of breweries – we also picked up during the year the 2009 Tiger Quality Award as well as the Tiger In-Market Quality for the second year in a row for Tiger Beer.

Tiger Beer also won Gold in the World Beer Cup Awards 2010 in the International Lager Style Category, while Tiger Crystal won the Gold in World Beer Cup 2010 in the Australasian, Latin American or Tropical-Style Lager Category.

Topping this, our individual brand teams won a host of awards in the area of brand building and communications, including Gold for Tiger Beer, Silver for Heineken and Bronze for Guinness at the Putra Brand Awards 2009; six bronze medals at the Kancil Awards 2009 for Guinness; and several Direct Marketing Association of Malaysia awards for Heineken and Guinness.

### DOING RIGHT BY EVERYONE

Responsible corporate conduct is a way of doing business, which GAB has always staunchly adhered to in order to create sustainable value for our stakeholders and build strong ties with the community so that it too may benefit from our activities.

The GAB Foundation is making good progress in spearheading our Corporate Responsibility (CR) efforts. Since its inception in 2007, the Foundation has anchored various initiatives for several causes

and communities, as well as providing opportunities for GAB employees to contribute. It is very heartening to note that GAB employees have now adopted CR as part of how they work and have become empowered enough to also develop their own initiatives.

With its focus on environmental conservation, educational support and community enrichment, the commitment of the GAB Foundation to create a better tomorrow was expressed through the award of partial scholarships to deserving Malaysians; donation of books to indigenous communities in East Malaysia; education of our business partners operating in our vicinity on the need for river rehabilitation; and the continued assistance to the Malaysian Indian community with English language education.

It is therefore with some amount of pride that I say we have been able to deliver on our CR initiatives and that GAB has become a better place to work because of it. Our work has been acknowledged by awards such as the StarBiz-ICR Malaysia CR Awards 2009 in Workplace Best Practices, a Silver placing in the Workplace Excellence Category for the prestigious Global Corporate Social Responsibility Awards 2010 and another Silver in the HR Excellence Category at the Malaysia HR Awards 2010; a testimony that our policies, procedures and initiatives promote workplace best practices.

More information about our CR initiatives is given in a separate CR report, which will accompany this annual report, and I hope you will take the time to go through it.

## LAYING THE GROUNDWORK FOR THE FUTURE

We believe that the country's continuing economic recovery, resulting in positive consumer sentiments augurs well for GAB and the industry.

While we are somewhat constrained by high excise duties, of which Malaysia has the second highest in the world, we hope that there will be no further increase in excise duties in the near future.

We will focus on further developing our portfolio and engaging with our customers. One of our key strengths is in the quality of our offerings – our locally brewed Guinness, for example, has been rated the best outside of Dublin and we will continue to improve on this, as well as our other brands, as we look to further increase our market share.

Our performance will be achieved and sustained by our team of highly capable employees and a winning portfolio of brands, as well as by being a well-organised business with systems and processes that will give us the confidence to deliver even better results.

## IN APPRECIATION

This year, we bid farewell to one of our non-independent and non-executive Directors, David Moore who resigned from the Board on 15 June 2010. We would like to record our appreciation to David for his contributions and we wish him all the best

in his new role with Diageo Indochina. At the same time, it gives me great pleasure to welcome Siobhan Hamilton who was appointed to the Board on the same day. Siobhan, who is currently the General Manager for Diageo Singapore, Malaysia and Indonesia, brings with her more than 13 years of experience working across several markets and brands in Diageo. We look forward to her active participation and contributions.

On behalf of the Board, I wish to thank our staff and management team under the leadership of Managing Director, Charles Ireland, for delivering yet another year of impressive performance culminating in the Company's strong showing financially. Their dedication, commitment and hard work are true reflections of the Company's Vision and Values, which have made GAB the business icon it is today.

I would also like to express our sincere appreciation to all our distributors, suppliers and retailers for their continued support during the year. Last but not least, my utmost thanks to you, our shareholders and stakeholders, for your unrelenting commitment to GAB. We look forward to your continuing support as we move forward to even greater heights.

Thank you.



**Tan Sri Saw Huat Lye**  
Chairman

8 September 2010



Of the nine years of consecutive growth, our last four were record breaking. I am proud to note that during the year, we have been able to deliver improvement in just about every area of the business.

Guinness Anchor Berhad (GAB) has again delivered a very solid performance for the year ended 30 June 2010. This is our ninth consecutive year of revenue, profit and market share growth. I am proud that this was achieved amidst daunting economic conditions earlier in the year, as well as the challenge of outdoing ourselves once again. I am also pleased to be able to report that we have pulled further ahead of our competition and have further strengthened our position with our trade partners and our consumers.

#### WHAT DRIVES GAB

GAB is driven by a hunger to become a world-class business and a world-class employer. This is expressed in our long-term Vision of becoming an Icon in Business respected the world over for delivering exceptional growth in People, Brands and Performance.

Of the nine years of consecutive growth, our last four were record breaking. I am proud to note that during the year, we have been able to deliver improvement in just about every area of the business.

Driving our success are our employees. They share values of passion for winning, valuing and respecting each other, and demonstrating integrity, and are guided by our key enablers of Focus, Delivery, Improvement and Teamwork. Also contributing to our growth have been initiatives to counter tepid market conditions, execute tighter expenditure management and closely evaluate capital expenditure.

While profit and product quality are priorities, we have been careful to ensure that we achieve them in a balanced, holistic and sustainable way.

#### TEAMWORK AND STRATEGIC INPUTS ARE KEYS TO OUR SUCCESS

GAB's success this year can largely be attributed to our commitment to create a working environment that nurtures individuals and teams to flourish and accomplish their tasks.

# Managing Director's Review

## Managing Director's Review

The progress we have made and the growth of the brands have been the result of innovative campaigns from the Marketing and Sales teams, which allowed us to powerfully engage with our consumers. Simultaneously, the Supply Chain team has been working to surpass the outstanding achievement of being awarded the Guinness League of Excellence three consecutive times and the Tiger Quality Award twice in a row; the first time ever that a brewery within our global network has achieved such a feat.

Doing business responsibly has always been a hallmark of GAB. Our views and position on the industry, as well as contribution to the local economy were presented and articulated comprehensively by our Corporate Relations and Legal team to our many stakeholders, including Government Ministries and agencies via our regular engagement sessions. We have also continued to engage and enrich the communities where we operate in a meaningful way through the GAB Foundation.

The welfare of GAB employees remains a key focus. The Human Resources Department has provided support and introduced initiatives to ensure that we continue on our journey to be an employer of choice.

As we look to increase our efficiency, reduce costs, increase connectivity and enhance our security, the Finance team provided us with strategic and insightful counsel, ensuring that our revenue utilisation was optimised, while the Information Systems & Technology team helped to migrate our system from Diageo's global hosted network to our own ICT infrastructure through Project Falcon.

### BUILDING ON OUR SUCCESS

The drive to transform GAB into a world-class business is continuous and unwavering, and we are pleased to have been recognised for our efforts. Awards, such as the Diageo Asia Pacific Market of the Year Award, are key milestones that mark our progress.

Supporting the GAB vision are our premium international brands – Tiger, Guinness, Heineken and Anchor.

We continually engage our consumers through remarkable brand experiences. The Guinness Arthur's Day party featuring the Black Eyed Peas was considered one of the best brand activations in the world by our brand owners. Through Heineken we also supported the annual Rainforest World Music Festival and Tiger's T. Music Festival, which was the longest Chinese concert ever held in Malaysia.

In conjunction with the Year of the Tiger, we introduced a limited edition variant, Tiger Crystal, which picked up the Gold at the World Beer Cup 2010 in the Australasian, Latin American or Tropical-Style Lager Category – a tremendous honour for a debutant product. The main Tiger brand, meanwhile, was awarded the Gold in the International-Style Lager Category.

In addition, we exploited the opportunities for activation of other world class marketing campaigns and consumer promotions presented by the Year of the Tiger and the build up to the 2010 FIFA World Cup™.

Also, our premium-imported brands – SOL, Strongbow and Paulaner, introduced in early 2009 – have made good strides among both consumers and our trade partners.

### CONNECTING WITH OUR PARTNERS

More and more outlets are turning to GAB as a respected business partner. The period under review saw the number of solus and preferential outlets significantly increase. One of the key initiatives that has led to this success is the GAB Academy trade engagement programme, which features the HERO (Hotel, Entertainment Outlets, Restaurant Operators) training initiatives, and the VIP (Very Important Partners) Trade Programme.

Conceived to aid the enhancement, sustainability and growth of the businesses of our trade partners, HERO has been strategic in contributing to GAB's identification and development of partners in the F&B industry. It provides training in the areas of creative business solutions, profiling opportunities, product and customer skills training and other incentives to ensure that our trade partners together with GAB continue to be the preferred choice.

The VIP programme further supports our trade relations and was developed exclusively to build and retain long-term and sustainable relationships with business partners through value added offerings, such as the generation of actionable business ideas. We also held our inaugural Trade Engagement Exercise as part of our Corporate Responsibility commitment to have open, honest and targeted dialogue with our stakeholders.

These initiatives have given our trade partners the know-how and skills needed to consistently deliver the best possible F&B experience at their outlets, helping them to grow with us.

### ACHIEVING WORLD CLASS EXCELLENCE

The extensive application of Total Productive Management (TPM) has been a key contribution to the consistently high quality performance by the Supply Chain Team. This has complemented GAB's work environment where people are consciously and continuously doing their best to deliver the world-class standards which we strive to achieve at all times.

### OUR PEOPLE ARE OUR KEY ASSETS

In order to achieve our Vision, our people need to be motivated and trained to perform efficiently and effectively at all times. This has become increasingly apparent as we continue on our journey to become the Malaysian Employer of Choice.

Career development plans were developed to help staff map out their career paths in GAB and to ensure that there is proper succession planning. On top of that, Sales Career and Supply Chain Career Days were organised to pinpoint gaps and training needs, and to identify high potential employees.

Our 7 HR Pillars, which was introduced to improve, empower, motivate and reward our employees for great performance, have become an integral part of the working environment we strive to create to encourage high productivity and creativity.

I am therefore very pleased to report that our peers and the industry have recognised our efforts. During the period under review, GAB received prestigious workplace related awards such as the StarBiz-ICR Malaysia Corporate Responsibility Awards 2009; Silver in the Workplace Excellence Category of the Global Corporate Social Responsibility Awards 2010; and the Silver Recognition in the HR Excellence Category at the Malaysia HR Awards 2010.

However, we are also aware that we still have a long way to go, and will continue in our quest to be truly the best.

The rapport and camaraderie we have been able to cultivate in GAB is reflected in the many long serving employees who contribute to the knowledge pool, continuity and stability of the Company. I am proud to report that the Company has one of the lowest staff attrition rates in the country with some employees working for us for over 30 years. We believe loyalty is a two-way street and we have remained committed to having no retrenchments even during challenging economic periods.

### LOOKING AHEAD AND MOVING FORWARD

With GAB's significant presence in the Malaysian MLM, we are well positioned to further extend our lead over the competition. The challenges, however, will be in our ability to further capitalise on our market presence, relationships with trade partners and engagement with our consumers.

One of the keys to our success has been to provide innovative brand experiences for our consumers and trade partners. GAB will continue to leverage on this in the coming year.

As we look to improve on our success, we will introduce changes that will take us to the next level of growth. This will include the restructuring of departments to deliver more efficiency, maximise use of resources, further empower people, and provide more support where it is required.

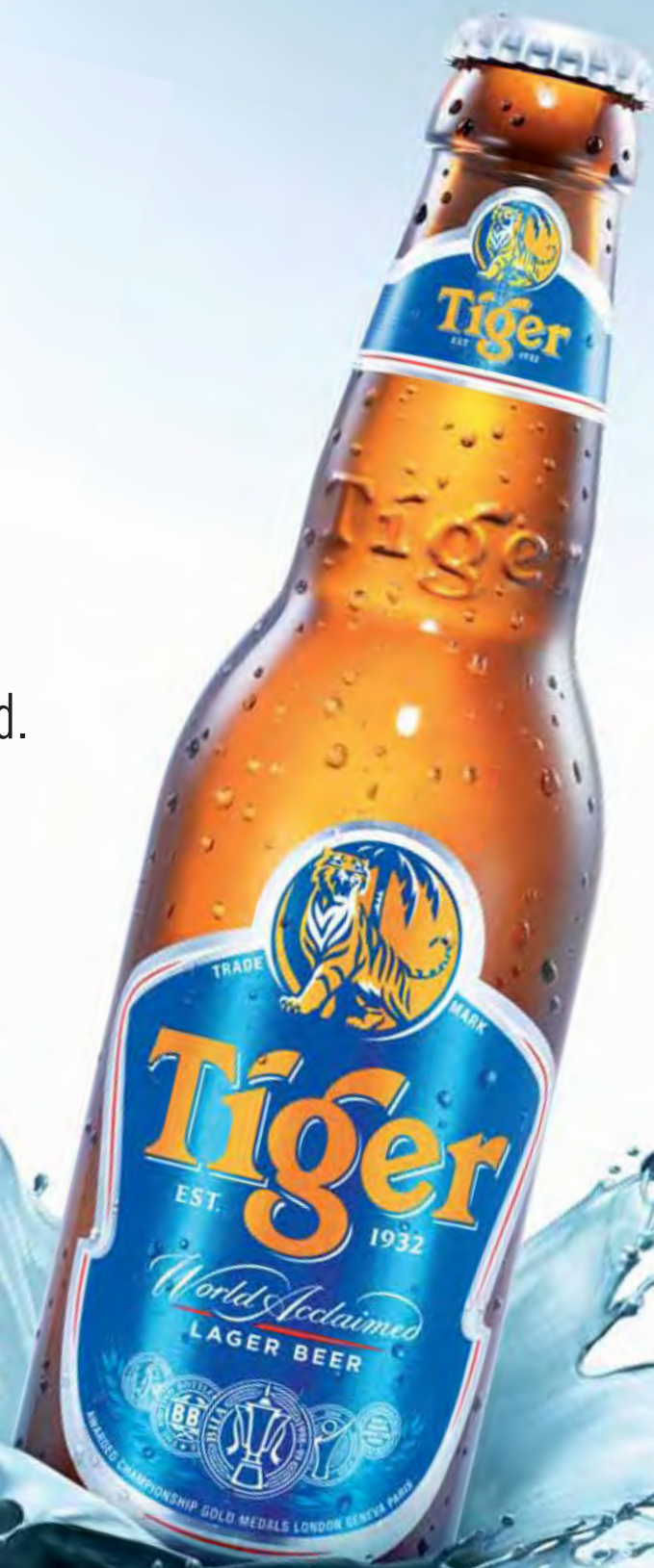
We will approach the coming financial year ending 30 June 2011 cautiously, with the global economic scenario still wrought with uncertainties. However, the optimism shown by the Prime Minister in projecting a 6% growth for 2011 augurs well for the Malaysian business community in general, and we will continue to make every effort to overcome any challenges that may come our way.

Further investments in our People, Brands and Performance will help us grow further in the coming year. We are optimistic that we will be able to achieve continued stability and look forward to delivering an unprecedented 10th successive year of revenue, profit and market share growth.

## Management Review Brand Highlights

Tiger was the clear winner during the festive season, with market share exceeding that of the previous corresponding period.

# Tiger



### A ROARING SUCCESS

GAB's award winning, "Official Beer For The Year Of The Tiger" was a roaring success during the period under review. The opportunities to leverage this auspicious period, which occurs only once every 12 years, were certainly capitalised upon to drive the brand forward.

The planning for Tiger to leverage this opportunity began early 2009 and resulted in the activation of print advertising, public relations, trade-wide consumer promotions and nationwide events. This programme created a competitive advantage and produced winning results, lifting the brand to a higher level of performance.

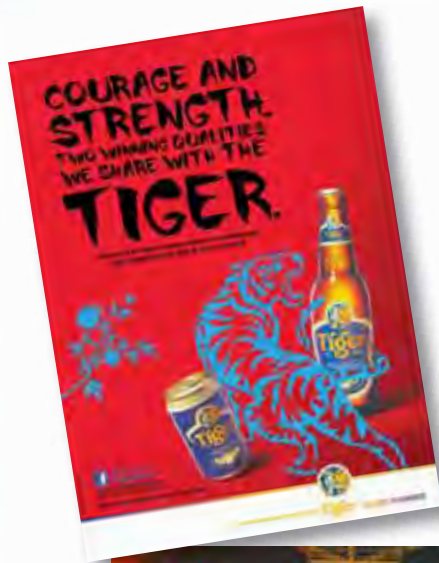
### MAKING ITS PRESENCE FELT

The Year Of The Tiger activities began with a media event to launch an 88-day countdown to the beginning of the Chinese lunar year. The Shanghai-themed night saw employees, members of the media and guests enjoying a night filled with feng-shui tips, a tiger dance performance, games and singing.

During the weeks leading up to Chinese New Year, 68 Tiger Night events were held throughout bars, pubs and coffee shops across Malaysia. Every Tiger Night featured live music, entertainment and interactive games with great prizes.

The highlight of the events was the opportunity to actually hold two solid 1kg gold bars, worth a total of RM280,000, which were being offered as the Grand Prize in the Year Of The Tiger Gold promotion. This promotion eventually attracted over two million entries.

These activities made Tiger the clear winner during the festive sales period, with market share exceeding that of the previous corresponding period.



## Management Review – Brand Highlights



### A CRYSTAL CLEAR WINNER

Introduced to commemorate the Year Of The Tiger, the limited edition Tiger Crystal was a clear winner with its lighter, refreshing version of the unique Tiger taste.

Supported by a print campaign in major newspapers, point of sales materials in outlets and digital initiatives which engaged the social media networks, consumers responded positively to Tiger Crystal's enticing, clear platinum bottle.

### EARNING ITS STRIPES

Reiterating the excellent quality of Tiger Beer was the double victory of GAB in winning both the 2009 Tiger Quality Award as well as the Tiger In-Market Quality Award for the second consecutive year. These awards attest to Tiger having "best-in-class" taste and packaging quality.

Tiger Beer also won the Gold Medal, for the second time, at the World Beer Cup Awards 2010 in the International Lager Style Category, and Tiger Crystal won, in its first outing, the Gold Medal in the Australasian, Latin American or Tropical-Style Lager Category.

### SCORING WITH TIGER FC

Now in its sixth year of bringing exciting football experiences to fans throughout the country, the award winning Tiger FC programme continued to entertain and thrill with its parties, contests and games.

Tiger FC kept the adrenalin pumping as fans in Malaysia enjoyed Barclay's Premier League football and had their viewing experiences enhanced at the Football Frenzy parties. Fans enjoyed live football action and had opportunities to win prizes, with some lucky ones making it as far as England to watch their favourite teams play on their home grounds.

In conjunction with the 2010 FIFA World Cup™, 700 "Celebrate Winning Football Moments" viewing parties – the largest number ever in Malaysia – were held across the country in GAB flagship outlets, pubs and even coffee shops. Many events featured high-definition live telecasts of all 64 matches for ardent Malaysian football fans.



### TIGER THROWS MALAYSIA'S LONGEST EVER CHINESE CONCERT

Featuring artistes from Hong Kong, Taiwan, China, Thailand, Singapore and Malaysia, the six and a half hour long T. Music Festival was the longest Chinese concert ever held in Malaysia, making it another winner with the community and an exciting experience for the brand.

Over 16,000 concert-goers cheered, danced and sang along with performers such as Justin, Joey Yung, David Tao, Kay Tse, Khalil Fong, Soler, Sam Lee, Power Station, Z-Chen, Liu Li Yang, Ocean, Chin, James, Kelvin Tan, Kay, Man Hand, Rickman, Kenny Kwan, Andrew Tan and Eric Lim.



It's been 250 years since Guinness was first brewed at St. James's Gate and the brand is as contemporary today as it was back then, continuing to grow its legion of fans, attracting new ones with its exciting brand proposition, taste and values while retaining older ones who have come to appreciate what it stands for.

#### **CELEBRATING 250 YEARS**

A highlight of the celebrations commemorating 250 years of Guinness was the Guinness Experience global contest, which offered unique opportunities to enjoy the brand in zero gravity, under the seas of Norway or in the studio with the Black Eyed Peas.

Throughout August, a series of dinners celebrating 250 years of Guinness as well as those who made it possible - its drinkers - were held at restaurants in six states during which there was free flow of Guinness Foreign Extra Stout.

# Guinness



## ARTHUR'S DAY

In an international tribute to his visionary creator of the brand and enduring legacy, massive celebrations were held in five destinations across the world. GAB was given the honour of hosting the Asian leg.

Commemorating the remarkable achievements of Arthur Guinness, over 15,000 fans from around the region partied with the Black Eyed Peas at the Arthur's Day party in Sunway Lagoon.

The giant surf pool in which the concert was held was drained and transformed into an uber-cool party venue which featured a gigantic, state-of-art stage with dual 100-foot long screens on both sides to capture every moment of the action.

Visuals and displays of the birth and journey of Guinness through the ages were showcased in an experiential tunnel, prompting many to pose for photos to capture the remarkable milestones of the iconic brand.

Specially-built Guinness bars – called The Tavern and The Gravity Bar – were available for those who wanted a pint, while a specially-designed sleek, air-conditioned lounge allowed interested partygoers to learn about the famous Guinness two-part pour under the close supervision and mentorship of Master Barmen.

Some 13,000 pints of Guinness Draught were served throughout the night and GAB did its part to remind revellers to drink responsibly through messages on bottled water at the exits and arranging taxis for anyone who needed a ride.

In the true spirit of the Guinness brand, the Arthur's Day celebration united Malaysians from different backgrounds with great music and showed the world that Malaysia can throw a great party with the right attitude and respect for the regulations. The event has since been described as one of the biggest and best-ever Guinness activation in the world.





**A GASTRONOMIC GUINNESS CHRISTMAS**

Christmas is full of goodwill and Guinness-infused meals to accompany the perfect pint, shared among merry gentlemen, friends and family. Over 500 outlets across the country delighted consumers with this unique Guinness experience throughout December 2009.

Patrons enjoyed a complimentary pint of Guinness Draught when they purchased a Guinness infused Christmas main course. This also entitled them to buy three pints of Guinness Draught and enjoy a pint on the house, along with an iconic Guinness branded miniature pint glass.



### THE LAUGHTER SIDE OF LIFE

The love for Guinness and the joy of St. Patrick's Day has linked one of the most iconic beers in the world and the traditional celebration of laughter, food, fun and friendship into Ireland's most popular "export".

Both came together once again in Malaysia when Guinness led the St. Patrick's Day celebration for the fourth consecutive year. At outlets around the country, consumers could win exclusive collectibles and lucky draw prizes.

There's an old Irish blessing which says "May the sound of happy music, and the lilt of Irish laughter, fill your heart with gladness, that stays forever after" and this was certainly in the air when over 4,000 people gathered for a celebration themed "the laughter side of life" in conjunction with St. Patrick's Day.

Dressed mostly in green, the crowd were entertained with comedy, games and great Guinness-infused food. Dancing leprechauns, mimes, stilt walkers, jugglers and magicians made their way through the crowd at the event leaving everyone "Irish" for the night.





Heineken



Heineken is The World's No. 1 International Premium beer served in over 170 countries around the world since 1873.

### MAKING MUSIC WITH HEINEKEN

Heineken has been supporting a number of music events including Penang Island Jazz Festival, Miri International Jazz Festival and Malaysian Club DJ Mixing Challenge. Its association with iconic music events continued to flourish at the 2010 Rainforest World Music Festival in Sarawak, which has established Malaysia as one of South East Asia's leading world-music destinations. Once again, Heineken sponsored the three-day gathering of international artistes, world music, jam sessions and art amidst a backdrop of nature.

Heineken's music programmes provide cutting-edge and new music experiences for consumers in Malaysia and one of the best known is the flagship Heineken Green Room programmes. These programmes bring together electronic music from the international and local arenas in a marriage of cutting edge music and event production, promoting local, regional and international talent.



## Management Review – Brand Highlights

Launched in collaboration with Heineken Green Room, the Green Room State of Mind is a series of art-based projects that seek to explore the links between music, art and other creative disciplines. The project explores the different ways music can inspire and how its essence can be incorporated into works of art.

Heineken Music is also responsible for the growing JUICE DJ Quest, which began in 2002 and now includes Singapore, Indonesia and Malaysia in a search to discover the most talented and creative young DJs in the region.

### GETTING PERSONAL WITH HEINEKEN

Heineken Green Space, which puts the creation of bespoke events into the hands of consumers, is a bi-monthly series of events which gives music fans the opportunity to throw their ideal private party.

The Heineken Team, which has been inundated with requests by consumers to host their own Green Space, provides the expertise and organisational skill to turn ideas for a great party into fully customised reality for up to 150 guests.

One such iconic Green Space was served up by a group which called themselves The Breakfast Club. Working with the Heineken Team, they transformed the monotony of a Sunday morning to a convivial, chilled-out, fun yet quirky Sunday brunch.

Adding further merriment to the event were special Heineken cocktails. A clear favourite was the light and refreshing Heineken smoothies – a mixture of ice cold Heineken Beer, syrup, cucumber and banana – while the traditionalists helped themselves to bottles of Heineken from the iced beer pool as everyone enjoyed games against a backdrop of 80s music and live performances.

### FACE TO FACE FOOTBALL WITH HEINEKEN

Heineken leveraged its sponsorship of the UEFA Champions League by “connecting” its digital savvy football fans with Facebook Connect in a way that has never been done previously in Malaysia. Through the Heineken Star Player website, which generated a personal video experience for each Facebook user, fans were able to take on the Heineken goalkeeper in a series of penalty shootouts to win points.

The Grand Prize was a pair of tickets to watch the 2010 UEFA Champions League Final in Madrid, which included VIP hospitality at the stadium, top-notch dining and hospitality at some of the most magnificent locations in the city.





Smoothness:  
the taste of good times  
and great company



A time with friends is one of life's simple pleasures. Especially one as easy-going as Anchor Smooth. Here's to good company, great times and happy smiles.



Awarded the  
Mondy Selection  
Gold Medal in 2010

Drink Anchor Smooth Responsibly

Keeping It Real Since 1933.

Refined over the years with the finest malts and hops, giving it a signature light, refreshing and smooth flavour, Anchor Smooth continued to gain popularity through a quarterly burst of advertising which began in September 2009.

Taking refreshment a step further, Anchor Smooth Draught made its debut at selected Klang Valley outlets in April.

Anchor Strong was further developed with the introduction of a new quart (640ml) bottle.



# Anchor



**KILKENNY**  
A legendary city. A savoury beer. An unforgettable story.

**KILKENNY CITY & ITS PROUD BREWING HERITAGE**  
KILKENNY, the Cream of Irish Beers, has a history that is as vibrant as its taste. Originating from KILKENNY in Ireland, the city has a long, illustrious tradition of brewing great beer that is loved by many who cherish the tradition. It was the monks of the St. Patrick Abbey in the 14th century, using natural ingredients that spanned the Abbey and water from the St. Francis Well, the Franciscan monks began brewing the most beer. Unfortunately, the reign of Henry VIII brought about the abolition of all Irish monasteries and the Abbey was forced to close its doors. By then it didn't matter: the people of KILKENNY had already discovered the brewing skill and obtaining taste for another beer.

**COMMERCIAL BREWING IN KILKENNY CITY**  
Inspired by KILKENNY's reputation, John Smithwick moved to the city in 1720 to start a brewery. An 18th-century house in 6 was founded on St. Patrick's Alley (previously 11) and the distillation process of the Guinness family, the St. Patrick's Abbey Brewery, designed to produce beer on a large, family-owned scale, for its high-quality output. This actually got a Guinness's distillation about

Mayor of KILKENNY Sir David Austin, appointed James Smithwick, took charge in 1850 of a time when the brewery's fortunes were at an all-time low—and made the brave decision to make its output to just one original brewer, the company that it is now to continue brewing. It was going to be the best the world would ever taste.

**KILKENNY, THE CREAM OF IRISH BEERS**  
Almost 200 years later, the Smithwick tradition carried on. The name of the company, St. Patrick's Abbey Brewery, KILKENNY remains only the most skilled people in its production. With the top ingredients and best beer, the most passionately equipped, renowned quality that is second to none. A quality and taste that has been 100% pure since KILKENNY is brewed in more than 200 outlets worldwide and over 400 Malaya's great and fine. 2000 thousands of Malaya's people, including the Cream of Irish Beers, it was a new chapter in the KILKENNY saga is about to begin.

**KILKENNY**  
DRAUGHT

**KILKENNY**  
A LEGENDARY CITY. A SAVOURY BEER. AN UNFORGETTABLE STORY.

**KILKENNY**  
DRAUGHT

The tale of the rich, long heritage behind the cream of Irish beers was told again in advertisements, which appeared in selected magazines to remind consumers of the quality and tradition that goes into this centuries old brand. Kilkenney is now available in more than 200 outlets across Malaysia.



# Kilkenney

# Anglia



The limited edition Anglia Grape made its debut in December, which was a refreshing combination of juicy grapes and the golden zing of the classic Anglia Original Shandy.

The timing of its appearance made it ideal for the Chinese New Year celebrations, during which it also received the endorsement of Friendz's lead singer Zhi Xiang as well as artistes Regine Tai and Tong Xin who declared it the perfect drink for the occasion.

Maintaining its tradition of supporting box office hits, Anglia sponsored Jackie Chan's comedy "Little Big Soldier".

**The ALL NEW Anglia Grape.**

Savour a refreshing blend of juicy grapes and the golden zing of Anglia's Original Shandy. It's time to treat your taste buds to a bunch of excitement and bubbly bits of decadence today!

**truly refreshing**

**NEW**

**ANGLIA**

**THE REAL SHANDY**

A REFRESHING BLEND OF LEMONADE BEER AND GRAPE FLAVOUR

SEERVE CHILLED

Anglia Shandy - One Great Drink, Two Refreshing Flavours

**THE REAL SHANDY**