

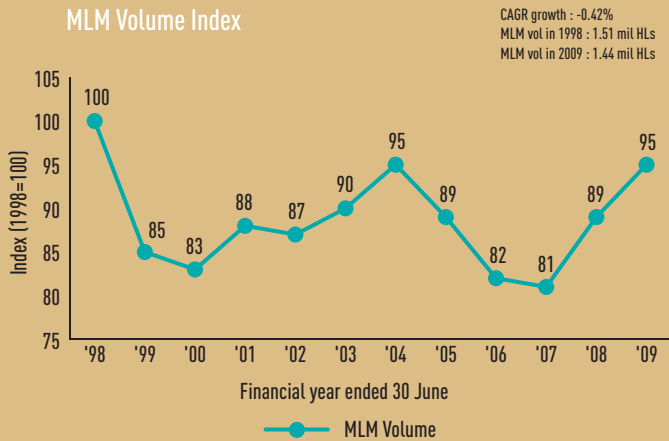
OVERVIEW OF THE MALT LIQUOR MARKET

Market Performance Remains Flat

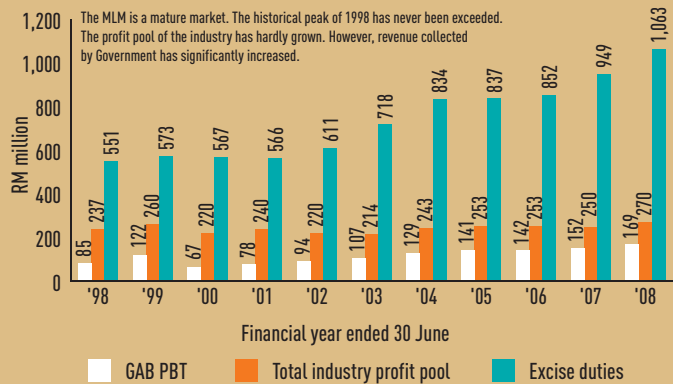
The Malt Liquor Market (MLM) in Malaysia is a mature market. Over the last 10 years, the MLM has seen periods of decline and periods of growth but overall, it has posted a Compounded Average Growth Rate (CAGR) of -0.42%. The market's peak of 1.51 million hectolitres in 1998 (versus 1.44 million hectolitres in 2009) has never been exceeded.

High Government Duties Vs Sluggish Industry Profits

Malaysia continues to have the second highest excise duty for beer and stout in the world after Norway. The Government's decision not to further increase the excise duty, was therefore a welcome respite for the MLM, which was subject to consecutive increases in excise duty from 2004 to 2006 (amounting to 59%). While revenue to the Government from industry excise duties continues to increase year on year (peaking at approximately RM1.06 billion in 2008), the industry profit pool has hardly grown in the last decade. GAB's strong performance to date comes from its ability to capture more and more of the existing MLM. The high excise duty has not only made drinking expensive, but has also caused significant smuggling activities.



Industry Profit Pool & Excise Duties



Finance Director's Review

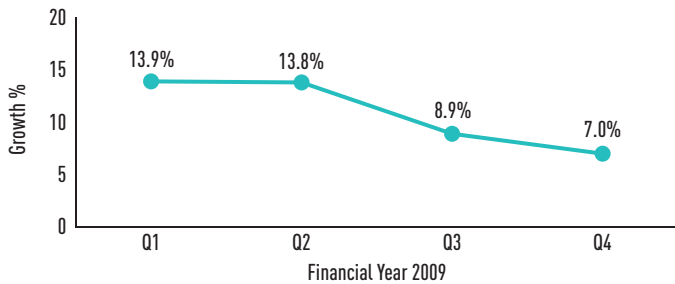


FINANCE DIRECTOR'S REVIEW

MLM Growth Rate on the Decline

In the last 12-months of the financial year, in tandem with Malaysia's declining GDP growth rate and the somewhat volatile performance of the FTSE Bursa Malaysia KLCI, the MLM Moving Average Total (MAT) volume growth rate also declined. The MLM industry is laggard to the general economy and we are still experiencing a declining trend. Overall, we expect the coming year to be flattish.

MLM Ex-Brewery MAT Volume Growth by Quarter



GDP Growth Rates (constant 2000 prices)



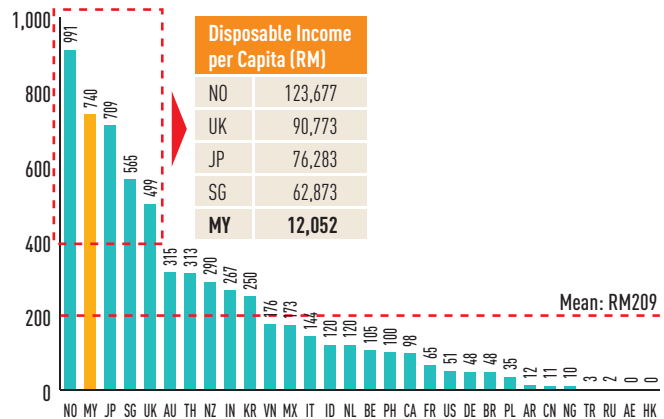
Source: Department of Statistics Malaysia

Malaysia's High Excise Duty Rate Vs Low Disposable Income

Malaysia has the highest duty rate in Asia and the second highest in the world. Taking into consideration Malaysia's significantly lower disposable income per capita (in comparison to other developing and developed countries), the price of beer and stout in Malaysia is very expensive. Making up in excess of 48% of the retail price of beer and stout, the exceptionally high excise duty rate is not on par with affordability.

Comparison of Excise Duty Rate

Beer Excise Duty Rate - 2008 (RM/HL) vs. Disposable Income per Capita - 2008 (RM)



Legend: Countries

AR	Argentina	ID	Indonesia	PL	Poland
AU	Australia	IT	Italy	RU	Russia
BE	Belgium	JP	Japan	SG	Singapore
BR	Brazil	MX	Mexico	KR	South Korea
CA	Canada	MY	Malaysia	TH	Thailand
CN	China	NG	Nigeria	TR	Turkey
FR	France	NL	Netherlands	AE	UAE
DE	Germany	NO	Norway	UK	UK
HK	Hong Kong	NZ	New Zealand	US	US
IN	India	PH	Philippines	VN	Vietnam

Note: ¹ All excise duty rates are for 2008 and based on a 5% ABV beer. ² India's duty rate is based on the state Andhra Pradesh.

Source: EIU, World Drink Trends 2004, Deloitte Research & Analysis.

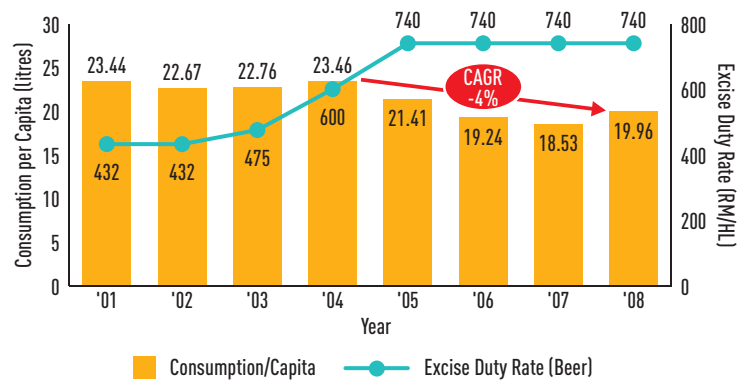
Only SEA Nation with Declining Consumption Per Capita

Malaysia's consumption per capita remains one of the lowest in the region and it has dropped from 24 litres to 20 litres between 2004 and 2008. In fact, Malaysia is the only Southeast Asian (SEA) country registering a decline in consumption per capita, against an increasing trend for the others. As GAB's growth is very much dependent on its domestic market and the prevailing local consumer trends, the Government's excise duty rate policy plays a big part in determining how much GAB and the MLM can grow.

Excise Duty Rate vs Consumption Per Capita

Despite excise duty rate remaining at year 2005 level, consumption per capita of Malaysia has declined by approximately 4% (CAGR).

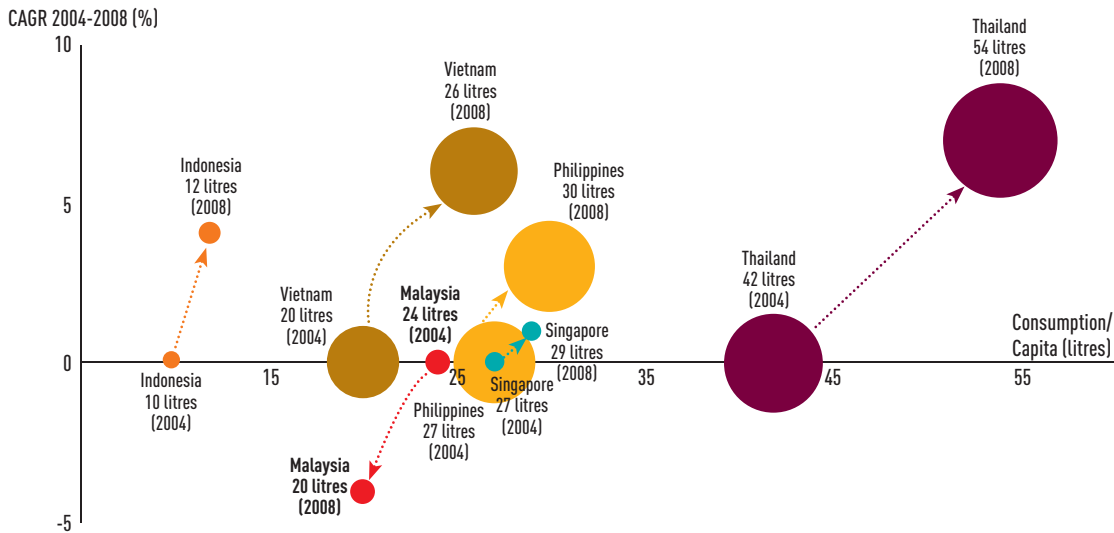
The decline in consumption per capita is primarily due to Malaysia's high duty rate (as a result of the significant successive increase in excise duty in years 2003, 2004 and 2005).



Note: Consumption per Capita is based on 18+ years non Muslim population.
Source: GAB data 2008, EIU, Deloitte Research & Analysis.

Malaysia's Consumption Per Capita Remains Low and is Declining

Consumption per Capita (litres) vs. CAGR (%) among Southeast Asia countries (2004 & 2008)



Note: Consumption per Capita is based on 18+ years non Muslim population.
Source: Deloitte Research & Analysis, The World Fact Book, Euromonitor, EIU.

○ Size of Bubble = Total Consumption Volume

FINANCE DIRECTOR'S REVIEW

High Beer Retail Prices Make Smuggling Attractive

The huge differences in retail beer prices within the region, clearly increases the attractiveness and incentive for smuggling illegitimate beer into Malaysia from surrounding countries.

High Duty Rate

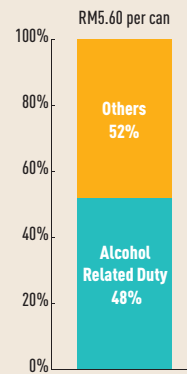
Highest duty rate in Asia
and 2nd highest in the world
@ RM740 per HL

The high retail beer price in Malaysia is due to the high excise duty rate (i.e. 48% of the retail price of a can of beer in Malaysia is contributed from alcohol related duty/taxes).

Note: Off-trade beer prices from 2008 are used.

Source: Deloitte Research & Analysis, Euromonitor, EIU.

Contribution of Excise Duty to Retail Price



Comparison of retail price of beer

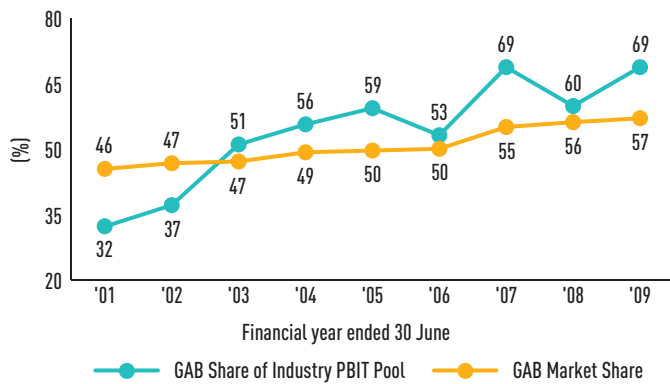


GAB'S MARKET LEADERSHIP POSITION

GAB Remains the Clear Market Leader

Despite this extremely challenging operating environment, GAB has successfully achieved eight successive years of volume, revenue and profit growth. GAB continues to outperform the competition and remains the clear market leader. At the end of June 2009, GAB had captured 57% share of the MLM and a corresponding 69% share of the industry profit pool (for four quarters). GAB's outstanding performance is a testament that its unwavering focus and strategic investment in the areas of People, Brands and Performance is continuing to pay off.

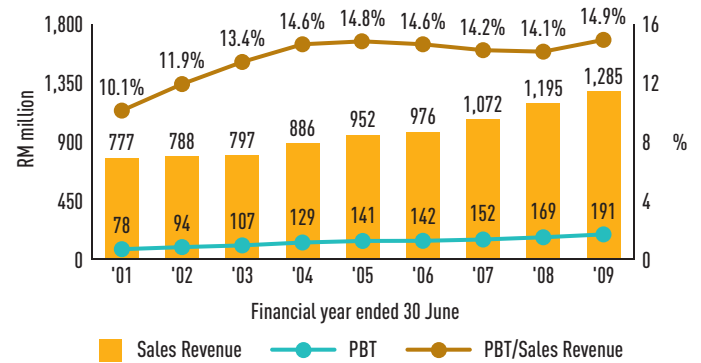
Operating Profit vs Market Share (Year-on-Year)



Strong Cost Efficiencies Drive Net Profits

GAB's cost efficiency initiatives continue to contribute to its higher revenue and net profit: a creditable performance in the face of intense market competition, achieved through the unwavering efforts of its people, and the strength of its portfolio of brands. However, competition remains intense.

Sales Revenue vs PBT

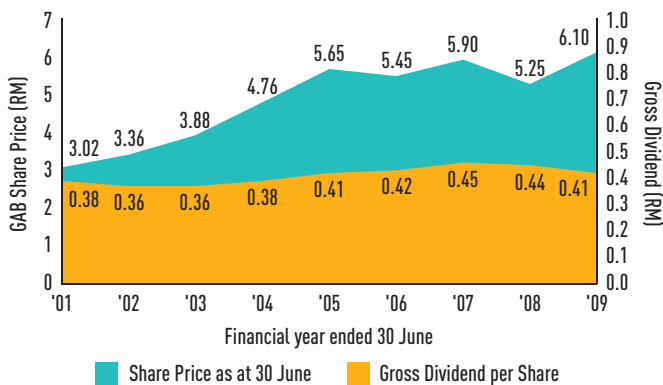


Shareholder Value Creation

GAB remains committed to returning a significant part of its earnings to its shareholders. In line with the Company's strong performance for the financial year ended 30 June 2009, GAB is delivering total shareholder returns of 23%. GAB posted Earnings Per Share (EPS) of 47 sen and Net Dividend Per Share (NDPS) of 41 sen for the 2009 financial year, the highest values to date.

In recognition of GAB's commitment to creating good shareholder value, the Company was ranked tenth on the KPMG/The Edge Shareholder Value League Table 2008 - Top 100 listing (up from 18th place in 2007). In addition, GAB was ranked fourth in the Minority Shareholder Watchdog Group's listing of foreign-owned companies and was listed as being among the top 7% of all Malaysian public listed companies for good corporate governance.

Share Price & Gross Dividend Per Share



Source: Bursa Malaysia

Earnings Per Share (EPS) & Net Dividend Per Share (NDPS)

