



# FINANCIAL RESULTS

## FY'20



**Thursday, 18 Feb 2021**  
**6:00pm – 7:15pm**  
**Microsoft Teams Live**



PROBABLY THE BEST  BEER IN THE WORLD

# Appointment of CFO on 19 Oct 2020

## Vivian Gun Ling Ling

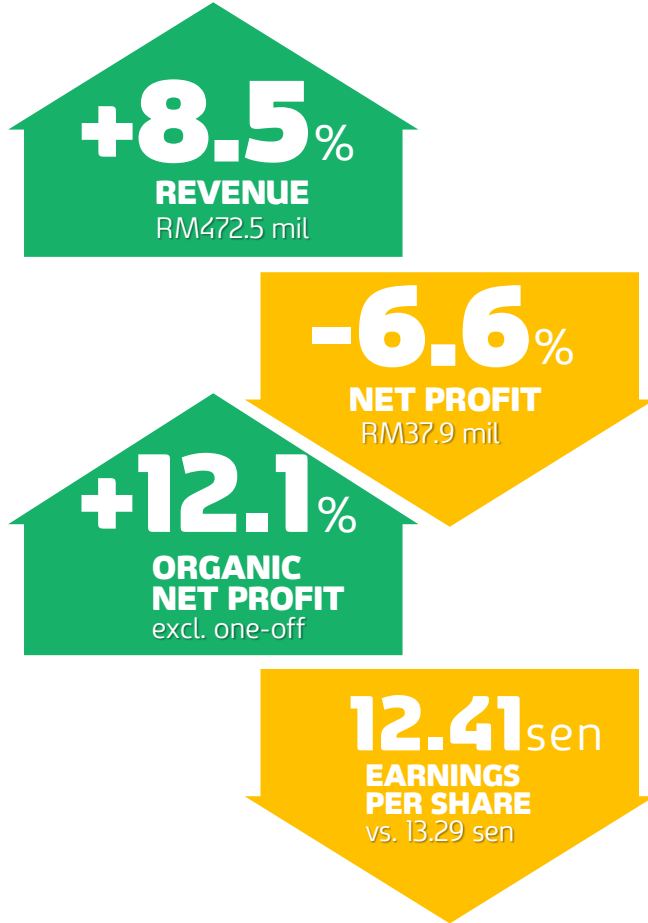
*44, Malaysian*

- ✦ Vivian is responsible for the finance, investor relations, as well as IT functions, and was previously CFO in Carlsberg Myanmar from 2018.
- ✦ Prior to joining Carlsberg, she had held senior Finance roles with established Malaysian corporations including GlaxoSmithKline, British American Tobacco, BMW and KPMG.



# Q4'20 vs. Preceding Quarter

Q4'20 vs. Q3'20





- ❖ Slow but promising recovery continued in Q4 for MY & SG operations.
- ❖ Decline in net profit due to:
  - ❖ One-off RM9.9 mil restructuring cost that readjusted the Group's cost base to reflect Covid-19 uncertainties
  - ❖ Higher A&P investments in Q4
  - ❖ Lower share of profit from Sri Lanka



# Performance vs. SPLY

FY'20 vs. FY'19



Results	Q4'20 (RM million)	FY'20 (RM million)
Revenue 	472.5 -17.7%*	1,785.0 -20.9%*
Net Profit 	37.9 -45.0%*	162.2 -44.3%*
Net Profit (organic)	45.5 -34.0%	174.6 -40.0%
EPS ( <i>sen</i> )	12.41 <i>vs. 22.56 in 2019</i>	53.04 <i>vs. 95.18 in 2019</i>

\*vs. SPLY

- Substantial decline in both revenue and net profit in FY'20 vs. FY'19 attributed primarily to lower sales overall because of **critical measures undertaken in both Malaysia and Singapore to counter Covid-19**, including a 7-week suspension of brewing and distribution, dine-in limitations and social distancing under MCO & CB.
- Decline in net profit was partially mitigated by **tighter cost controls** under Fund the Journey but was also impacted by a **one-off RM6.4 mil settlement with the Royal Malaysian Customs in June** and restructuring costs of RM9.9 mil.
- For Q4'20 vs. Q4'19, decline in revenue was from significantly lower on-trade consumption and the later timing of CNY trade-loading. Net profit was impacted by one-off restructuring costs, partially mitigated by prudent cost controls.

# FY2020 Dividends



EARNINGS PER SHARE

**53.0** sen

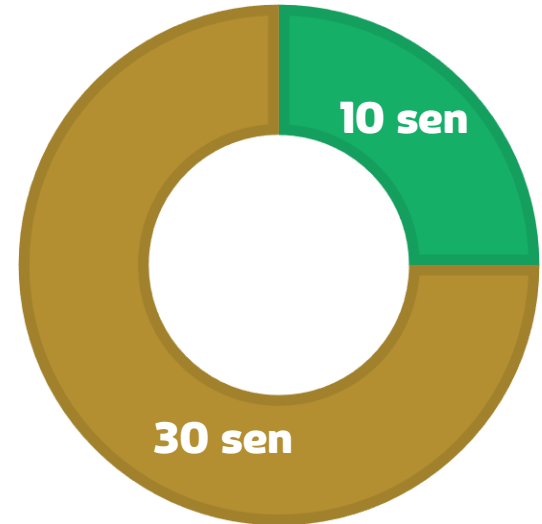
DIVIDEND PER SHARE

**40.0\*** sen

PAYOUT RATIO

**75.4%\***

- Single-tier interim dividend (declared)
- Final single-tier dividend (proposed)



\* Equivalent to a total payout of RM122.3 mil of the Group's FY'20 net profit.

# 2H2020 Trade Performance Trends



## ON-TRADE



- Gradual recovery more evident in on-trade operators as dine-in restrictions lifted.
- Traditional on-trade outlets in Malaysia and Singapore in particular recorded higher sales.

## OFF-TRADE



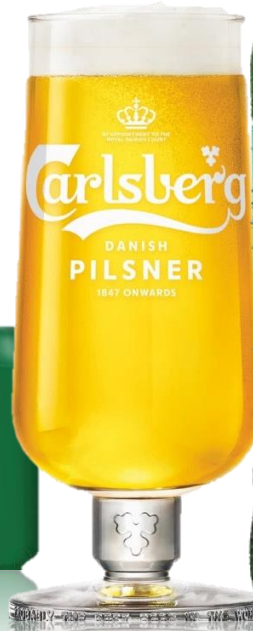
- Off-trade volume continues trending upwards given the change in consumer habits and increased home consumption.
- Flagship brand Carlsberg retained #1 position in off-trade in Singapore.

## E-COMMERCE



- e-Commerce volumes continued to grow strongly vs. FY'19 albeit from a modest base.
- Digital marketing campaigns drove online shoppers to our flagship stores on Lazada and Shopee established in 2020.

# 20% DECLINE IN CORE BEER



FY'20 vs. FY'19



- 7-week suspension of brewing and distribution during MCO impacting stock availability including in off-trade.
- Dine-in restrictions severely affecting on-trade sales; marketing activations suspended in adherence to social distancing measures.
- CNY timing: earlier trade loading in Dec'19 and later loading in Jan'21 detracted from FY'20 performance.



# 17% DECLINE IN PREMIUM

- 1664 Blanc remained the strongest performing premium brand in our portfolio with only a single-digit decline in volume.
- We continued to sustain premium brand loyalty and affinity throughout the year with virtual events and exclusive partnerships, consumer promotions, limited-time variants and festive packaging.







# 2H'20 HIGHLIGHTS

Carlsberg  
Malaysia

# Celebrating Liverpool FC's Iconic Win

Painting the town red with limited-edition packaging and promotions





# New Innovations Launched in Singapore

Catering to a new generation of drinkers seeking no/low-alcohol and low-calorie choices for active lifestyles

Great taste.  
Wherever.  
Whenever.



PROBABLY THE BEST BEER IN THE WORLD



# Engaging Consumers for Premium Brands

With virtual events, consumer promotions, limited-time variants and festive packaging



If you like the United nations Christmas Ball, get in PEEL on the 1664 Blanc from grape, paid in wine. Only one round. Good Taste with a Twist.



# Capitalising on e-Commerce Growth

Focused initiatives with “e-tailers” as home consumption moments increase



~2.5x volume growth  
in 2020!





# #CELEBRATERESPONSIBLY

Our ongoing commitment against drink-driving as a responsible brewer



**5,700**

subsidised rides offered with more discounted rides available

**5**

e-hailing partners, including 3 new ones

**1,800**

customer outlets eligible for subsidised rides

**>4.5 mil**

online viewers reached via media partnerships with The Star and Sin Chew



# Recognitions & Awards



At the 11<sup>th</sup> edition of The Edge's Billion Ringgit Club (BRC) Awards, Carlsberg Malaysia was crowned with the **Highest Return on Equity over Three Years** in the **Consumer Products and Services Category**.

## Other milestones in FY2020:

1. **FTSE4Good Bursa Malaysia Index** – maintained inclusion as sole brewer among 75 constituents in Dec'20
2. **MSCI Indices** – reassignment from MSCI Global Standard Index to MSCI Global Small Cap Index in Nov'20
3. **ISO 45001:2018 certification** – commitment to occupational health & safety with 700+ days without lost-time accidents

# 2021 OUTLOOK

Carlsberg  
Malaysia



NAVIGATE THE  
**STORM**  
&  
EMERGE AT  
**FULL SAIL**



# 1H'2021 OUTLOOK



- ❖ Outlook remains cautious due to **persevering effects of COVID-19** and government regulations and measures that will likely cause on-trade sales and consumer sentiment to remain depressed.
- ❖ In MY, **re-imposed second MCO** from January translates to **muted recovery in on-trade sales** compounded by dampened CNY celebrations, weak macroeconomic conditions, and ongoing challenges faced by F&B operators to stay afloat.
- ❖ We are hopeful that **vaccination plans for MY & SG** will help contain infections and lead to better economic recovery in the second half of 2021.
- ❖ The Group has put in place numerous measures to **mitigate profit impact and preserve cash**, being even more disciplined in implementing its **'Fund the Journey'** initiatives and **optimising cost structures aggressively** to reallocate investments into viable channels and extend various support to our business partners.



# CELEBRATE PROSPERITY, CHEERS TOGETHER

with festive packaging, consumer promotions and digital consumer engagement

## DIGITAL CAMPAIGNS

on social media assets and content publishers

## CONSUMER PROMOTIONS

for brand preference and festive demand

## SOCIAL MEDIA CONTESTS

to drive brand engagement



# Carlsberg

CELEBRATE PROSPERITY,  
CHEERS FOR TOMORROW.



## CELEBRATE CHINESE NEW YEAR WITH GIFTS OF KINDNESS

### RM1,000,000

Food Aid 粮食援助金

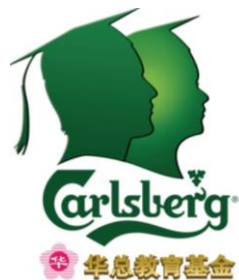
### RM1,000,000

Education Aid 助学金



the **Sunday** 南洋商報 **Star**  
NANYANG SIANG PAU the people's paper

THE BORNEO POST 詩華日報



CARLSBERG  
HUAZONG  
EDUCATION  
FUND

### 2,000 FAMILIES

(RM500 each)

### 333 UNDERPRIVILEGED STUDENTS

(RM3,000 each)

- Open to all Malaysian citizens
- Priority goes to individuals from underprivileged families  
i.e. orphans, with single-parent and/or OKU family members.





THANK YOU