

1H'18

FINANCIAL RESULTS PRESS & ANALYST BRIEFING

Carlsberg
Malaysia

16 August 2018

CHANGE IN BOARDROOM

New Chairman of the Group

Datuk Toh Ah Wah

Aged 60, Malaysian, Bachelor of Commerce from Concordia University of Montreal

- ✦ Appointed as **Chairman and Independent Non-Executive Director** on 12 April 2018, succeeding **Dato' Lim Say Chong** who served on the Board of the Group for 15 years.
- ✦ Additional roles: **Chairman of the Remuneration Committee** and **Chairman of the Nomination Committee**.
- ✦ Joined the Board of the Group on 17 May 2017 as Independent Non-Executive Director.
- ✦ Prior to his directorship, Datuk Toh served with British American Tobacco (Malaysia) from July 1981, retiring in June 2013 as Managing Director.
- ✦ Currently serving three boards, namely Petronas Chemicals Group Berhad, CTBAT International Company Limited (Hong Kong) and Choice Foundation.



New Non-Independent Non-Executive Director

Ms. Chow Lee Peng

Aged 49, Malaysian, qualified accountant and lawyer, University of New South Wales, Australia.

- ✦ Appointed as **Non-Independent Non-Executive Director** on 16 August 2018.
- ✦ She is currently Vice President, Legal – Asia of the Carlsberg Group.
- ✦ Prior to her directorship, she served at Diageo China as Head of Legal and was the Chairman of the supervisory board of a Chinese white spirit company listed on the Shanghai Stock Exchange.
- ✦ She has practised law for over 24 years in Malaysia, Hong Kong, Singapore and China.



1H FY18 PERFORMANCE

1HFY18 Net Profit up 12.8%

Revenue up 7.5% to RM963.9m; net profit up 12.8% to RM144.7m



**Solid
Performance
in MY**



**Share of Profits of
RM11m from
Sri Lanka**



**Lower
Performance
in SG**



**1HFY18 Dividend
at 35.7sen,
75.4% payout of net
profit**



Our Strategy – SAIL'22



OUR PRIORITIES



STRENGTHEN THE CORE



Grow in Mainstream



Win in Store



Fund the Journey



POSITION FOR GROWTH



Go Big in Premium



Build New Revenue Streams



DELIVER VALUE FOR SHAREHOLDERS



Growth in Net Profit



High and Stable Dividend Yield



CREATE A WINNING CULTURE



DEFEND OUR LICENSE TO OPERATE



Solid Growth in 1HFY18



2018			
Key Highlights		Q2 (RM million)	1H (RM million)
Revenue (adjusted for MFRS15)	↑	415.5 +2.3%	963.9 +7.5%
Net Profit	↑	63.9 +4.9%	144.7 +12.8%
Earnings per share (EPS)	↑	20.90 +4.9%	47.34 +12.8%

Highlights

- Higher net profit of +12.8% driven by higher profit in MY and associate company in Sri Lanka mitigating the lower profits from SG
- In MY, revenue increased by +16.9% driven by double-digit growth across most product segments.
- In SG, lower profits due to lower sales, unfavourable exchange movements and positive one-off trade offer adjustment in 1HFY17.



Our Strategy – SAIL'22



OUR PRIORITIES



STRENGTHEN THE CORE



Grow in Mainstream



Win in Store



Fund the Journey



POSITION FOR GROWTH



Go Big in Premium



Build New Revenue Streams



DELIVER VALUE FOR SHAREHOLDERS



Growth in Net Profit



High and Stable Dividend Yield



CREATE A WINNING CULTURE



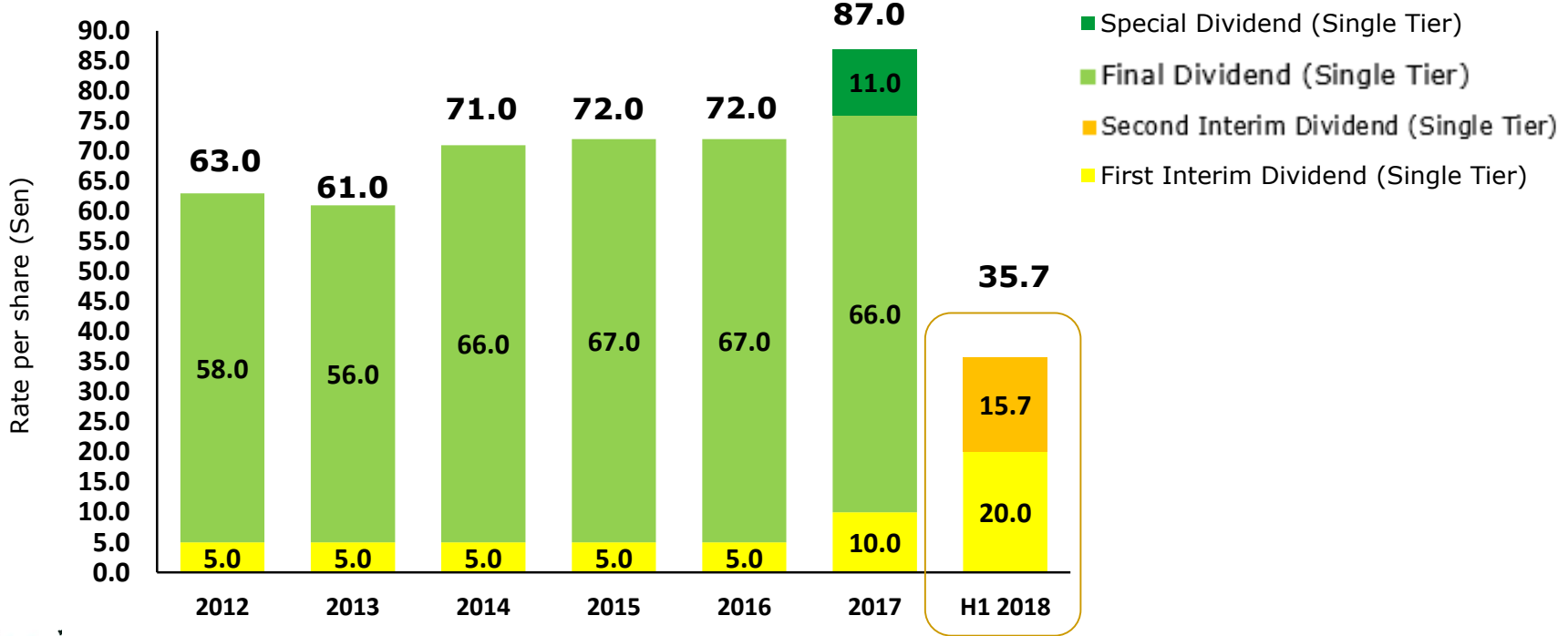
DEFEND OUR LICENSE TO OPERATE



Dividends from 2012 - H12018



As per Financial Year Ended





Our Strategy – SAIL'22



STRENGTHEN THE CORE



Grow in Mainstream



Win in Store



Fund the Journey



POSITION FOR GROWTH



Go Big in Premium



Build New Revenue Streams



DELIVER VALUE FOR SHAREHOLDERS



Growth in Net Profit



High and Stable Dividend Yield



CREATE A WINNING CULTURE



DEFEND OUR LICENSE TO OPERATE



Continued Growth in Mainstream



- Total **Carlsberg brand** volume **+13%** in 1HFY18 vs 1HFY17.
- **Carlsberg brands** celebrated Probably the Most Victorious Year during CNY and rode on this year's football fever with Probably The Best Football Beer campaign from May to July.
- **Carlsberg Smooth Draught** launched the pull-off POP Cap as a new innovation in April – so *Now You Can POP a Draught Anywhere!*





Our Strategy – SAIL'22



OUR PRIORITIES



STRENGTHEN THE CORE



Grow in Mainstream



Win in Store



Fund the Journey



POSITION FOR GROWTH



Go Big in Premium



Build New Revenue Streams



DELIVER VALUE FOR SHAREHOLDERS



Growth in Net Profit



High and Stable Dividend Yield



CREATE A WINNING CULTURE



DEFEND OUR LICENSE TO OPERATE



19% Growth in Premium Brands



SOMERSBY
+22%

Now a
permanent
variant!

New
variant –
Elderflower
Lime

1664 BLANC
+41%

ASAHI
SUPER DRY
+7%

CONNOR'S
+29%



2HFY18

HIGHLIGHTS & OUTLOOK

Probably The Best Football Beer Campaign from mid May & mid July



+10%
Sales volume vs target



Over 200,000
consumers joined Probably
The Best Football Parties



>3,000 locations
Probably The Best Football
Parties throughout Malaysia



15.5 million
Online users reached through
digital campaigns



> 1 million
Merchandise items &
prizes given out

Another Innovation For Somersby



Proven Strategy
New variant introduction
drives volume growth

Grow Market
Recruit non-beer
drinkers



Mass Sampling

Nationwide tour for
consumers to taste the
quality taste and liquid



**Launching
tomorrow!**



Stout Challenge Returns in September



Blind taste test affirming Connor's Stout Porter as "Just Made Right"!



SATISFACTION RATE **93%**
From the Stout Challenge in March

22 Party spots visited over 12 days in KL, Ipoh, Malacca, Penang and Johor



>3,600 satisfied consumers redeemed free pints of Connor's Stout Porter

Oktoberfest & Probably The Best Parties



Spur consumption and drive footfall on-trade with Probably The Best Oktoberfest Parties in Penang, KL, and JB



Nationwide promotion to offer Probably The Best Party experience and a trip to Copenhagen, home of Probably The Best Beer

Outlook for 2HFY18



- ❖ Growth on Carlsberg brand and premium brands to continue; Fund the Journey to continue.
- ❖ In MY – Lower consumer spending post implementation of SST on 1st Sep 2018. The authorities should intensify efforts to curb contraband beer and the Government not to impose further increase on excise duties in conjunction with Budget 2019 announcement on 2nd November 2018.
- ❖ In SG – Introduction of the European Free Trade Agreement end 2018 will pose a further challenge from cheaper imports.
- ❖ In Sri Lanka – Positive trends and growth in demands.

THANK YOU



Carlsberg
Malaysia