

FOR IMMEDIATE RELEASE

Press Statement 39/2018

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## 9MFY18 Net Profit grew 22.5% and Revenue up 11.1%

Net profit for Q3FY18 jumped 51.7% on revenue growth of 18.9% contributed by solid performance in Malaysia, Singapore and Sri Lanka

**Shah Alam, 30 November 2018** – Carlsberg Brewery Malaysia Berhad (the Group) continued its double-digit top- and bottom-line growth in the third quarter of FY2018. Net profit of the Group surged 22.5% to RM209.7 million on a revenue growth of 11.1% to RM1.46 billion for 9MFY18. For the quarter ended 30 September 2018 (Q3FY18), the Group's net profit jumped 51.7% to RM65.0 million, while revenue grew 18.9% to RM492.8 million.

The strong Q3FY18 performance was driven by higher sales in Malaysia and improved performance in the Group's Singapore operations. The Group's share of profits from its associate company, Lion Brewery (Ceylon) PLC in Sri Lanka, increased to RM3.8 million compared to RM0.6 million in Q3FY17.

Malaysia revenue for 9MFY18 increased by 19.1% to RM1.04 billion, while profit from operations improved by RM36.1 million or 22.1% to RM199.1 million versus 9MFY17. Revenue for Q3FY18 grew 23.6% to RM350.5 million and profit from operations increased by 15.5% to RM59.6 million. The strong growth momentum is attributed to robust consumer demand for the Group's innovations like Carlsberg Smooth Draught and its premium brands.

Singapore revenue declined 4.7% to RM421.6 million and profit from operations declined by 8.8% to RM63.9 million for 9MFY18 versus the same period last year. However, Q3FY18 revenue increased by 8.6% to RM142.2 million and profit from operations increased by 438% to RM23.5 million compared to Q3FY17, which was impacted by trade offer adjustments of RM18.2 million last year. Organic profits from operations in Singapore grew by 4.0% in Q3FY18.

Earnings per share for 9MFY18 was 68.59 sen as compared to 55.98 sen for the same period last year. EPS for Q3FY18 was 21.25 sen versus 14.01 sen for the prior corresponding quarter.

In line with its dividend policy, the Group proposed a THIRD quarter single tier interim dividend of 16.0 sen per ordinary share. Together with the FIRST quarter single tier interim dividend declared in respect of Q1FY18 of 20.0 sen per ordinary share and the SECOND quarter single tier interim dividend in respect of Q2FY18 of 15.7 sen per ordinary share, the total 9MFY18 interim dividends stand at 51.7 sen per ordinary share, which represents a pay-out ratio of 75.4% of the Group's net profit for 9MFY18.

Managing Director Lars Lehmann said: "Our flagship brand Carlsberg continued its robust growth together with our premium brands Kronenbourg Blanc 1664, Somersby Cider, Asahi Super Dry

and Connor's Stout for 9MFY18 in Malaysia and Singapore. Our continued high level of consumer activities, innovations and support from our customers delivered the strong results".

"We applaud the Government's call not to raise excise duties on beer in the Budget 2019 as Malaysia and Singapore already have the second-highest excise duties on beer in the world. Only Norway is higher," added Lehmann.

"We express our full support for the Royal Malaysian Customs and other law enforcement agencies for their actions to curb contraband alcohol. The recent tragedy that claimed 40 lives\* due to alcohol poisoning from illegal alcohol should never happen again," Lehmann commented.

Carlsberg Malaysia is committed to continue its strong growth trend by staying focussed on the execution of its SAIL'22 strategy.

*Note: The Group adopted MFRS 15 as of 1 January 2018. The revenues of corresponding periods in 2017 are restated on MFRS 15 basis.*

*\* Source: StarOnline on 27 September 2018 – <https://www.thestar.com.my/news/nation/2018/09/27/3-more-deaths-from-methanol-poisoning-40-casualties-so-far/>*

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Carlsberg Brewery Malaysia Berhad was incorporated in December 1969.

We are a dynamic brewer with operations in Malaysia and Singapore, with stakes in a brewery in Sri Lanka. We also have a regional presence via exports to Thailand, Taiwan, Hong Kong and Laos.

Our international portfolio of brands features Probably The Best Beer In The World – Carlsberg, Probably The Smoothest Beer In The World – Carlsberg Smooth Draught and Probably The Best Strong Beer – Carlsberg Special Brew. This Carlsberg trio is complemented by international premium brews including France's premium wheat beer Kronenbourg 1664 Blanc, Japan's No.1 premium beer Asahi Super Dry, European cider Somersby, British-inspired Connor's Stout Porter draught, US award-winning craft beer Brooklyn Brewery as well as Corona Extra, the imported premium Mexican beer brand. Our local brands include SKOL, Royal Stout, Jolly Shandy and Nutrimalt.