

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in Carlsberg Brewery Malaysia Berhad (Company No. 9210-K), please hand this Circular, together with the accompanying Form of Proxy set out in the Annual Report of Carlsberg Brewery Malaysia Berhad for the financial year ended 31 December 2017, to the agent through whom the sale or transfer was contracted or effected for onward transmission to the purchaser or transferee.

Bursa Malaysia Securities Berhad (“Bursa Securities”) takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

Bursa Securities has perused through item (ii) of this Circular in respect of the proposed new shareholders’ mandate for recurrent related part transactions of a revenue or trading nature.



**CARLSBERG BREWERY MALAYSIA BERHAD**  
(Company No.: 9210-K)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

- (i) PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
- (ii) PROPOSED NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE.**

The above proposals will be tabled as Special Business at Carlsberg Brewery Malaysia Berhad’s 48<sup>th</sup> Annual General Meeting. Notice of the 48<sup>th</sup> Annual General Meeting, to be held at Sime Darby Convention Centre, Ballroom 1 & 2, First Floor, 1A, Jalan Bukit Kiara, 60000 Kuala Lumpur on Thursday, 12 April 2018 at 11.00 a.m., is set out in the Annual Report of Carlsberg Brewery Malaysia Berhad for the financial year ended 31 December 2017.

A Form of Proxy is set out in the Annual Report of Carlsberg Brewery Malaysia Berhad for the financial year ended 31 December 2017. You are urged to complete and deposit the Form of Proxy at the office of the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., located at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, no later than 48 hours before the time of the meeting. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : **Tuesday, 10 April 2018 at 11.00 a.m.**  
Date and time of the 48<sup>th</sup> Annual General Meeting : **Thursday, 12 April 2018 at 11.00 a.m.**

**This Circular is dated 12 March 2018**

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout and for the purposes of this Circular only:

Act	- Companies Act 2016 as amended from time to time and any re-enactment thereof
AGM	- Annual General Meeting
Audit & Risk Management Committee	- Audit & Risk Management Committee of the Company
Board	- Board of Directors of the Company
Bursa Depository	- Bursa Malaysia Depository Sdn. Bhd.
Bursa Securities	- Bursa Malaysia Securities Berhad
CBAS	- Carlsberg Breweries A/S
CBDCL	- CB Distribution Co Ltd.
CBHKL	- Carlsberg Brewery Hong Kong Ltd.
CCDOO	- Carlsberg Croatia D.O.O
CHKL	- Carlsberg Hong Kong Ltd.
CMSA	- Capital Markets and Services Act, 2007
CMSB	- Carlsberg Marketing Sdn. Bhd.
Company	- Carlsberg Brewery Malaysia Berhad (Company No. 9210-K)
Constitution	- Constitution of the Company
CSCAG	- Carlsberg Supply Company AG
CSCAL	- Carlsberg Supply Co Asia Ltd.
CSPL	- Carlsberg Singapore Pte. Ltd.
CTT	- Carlsberg Taiwan Trading
CVBL	- Carlsberg Vietnam Breweries Limited
Director	- Shall have the meaning given in Section 2(1) of the CMSA and for the purposes of the Proposed Shareholders' Mandate, this includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Director of the Company or any other company which is its subsidiary or holding company or a chief executive officer of the Company, its subsidiary or holding company
GJF	- Graham James Fewkes
Group	- The Company and its wholly-owned subsidiaries, namely Carlsberg Marketing Sdn. Bhd., Euro Distributors Sdn. Bhd. and Carlsberg Singapore Pte. Ltd.
LAO	- Lao Brewery Co. Ltd.
LBCL	- Lion Brewery (Ceylon) PLC

## DEFINITIONS (Cont'd)

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Listing Requirements	- The Main Market Listing Requirements of Bursa Securities including any amendments that may be made from time to time
LL	- Lars Lehmann
Major Shareholder(s)	- A person who (which includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon) has an interest or interests in one or more voting shares in the Company (or any other company which is its subsidiary or holding company) and number of voting shares, or the aggregate of the number of those shares, is <ol style="list-style-type: none"><li>10% or more of the aggregate of the number of all the voting shares in the Company; or</li><li>5% or more of the aggregate of the number of all the voting shares in the Company where such person is the largest shareholder of the Company.</li></ol> <p>For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act.</p>
NA	- Net assets
Proposed New Shareholders’ Mandate	- Proposed new shareholders’ mandate for additional Recurrent RPTs of a revenue or trading nature
Proposed Renewal of Shareholders’ Mandate	- Proposed renewal of the existing shareholders’ mandate for the Recurrent RPTs of a revenue or trading nature
Proposed Shareholders’ Mandate or Proposals	- Proposed renewal of the existing and new shareholder’s mandate for the Group to enter into the Recurrent RPT
Record of Depositors	- A record provided by Bursa Depository to the Company under Chapter 24.0 of the Rules of the Depository including any amendments thereof
Recurrent RPTs or RRPTs	- RPT which is recurrent of a revenue or trading nature, in the ordinary course of business and is necessary for day-to-day operations of the Group
Related Party/Parties	- A Director, Major Shareholder or person connected with such Director or Major Shareholder of the Company
RM and sen	- Ringgit Malaysia and sen, respectively
RAL	- Roland Arthur Lawrence
RPTs	- Transactions entered into by the Group which involves the interest, direct or indirect of a Related Party/Parties
Shares	- Ordinary shares in the Company

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporate the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

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**CARLSBERG BREWERY MALAYSIA BERHAD**

(Company No.: 9210-K)  
(Incorporated in Malaysia)

**Registered Office:**

No. 55, Persiaran Selangor  
Section 15, 40200 Shah Alam  
Selangor Darul Ehsan

12 March 2018

**Board of Directors**

Dato' Lim Say Chong, J.S.M., D.M.P.N.	<i>(Independent Non-Executive Chairman)</i>
Lars Lehmann	<i>(Managing Director)</i>
Roland Arthur Lawrence	<i>(Non-Executive Director)</i>
Chew Hoy Ping	<i>(Independent Non-Executive Director)</i>
Graham James Fewkes	<i>(Non-Executive Director)</i>
Datuk Toh Ah Wah, P.M.W.	<i>(Independent Non-Executive Director)</i>
Michelle Tanya Achuthan	<i>(Independent Non-Executive Director)</i>

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To: The Shareholders of Carlsberg Brewery Malaysia Berhad

Dear Sir/Madam,

- (i) **Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature to be entered into by the Group with its related parties ("Proposed Renewal of Shareholders' Mandate"); and**
- (ii) **Proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature to be entered into by the Group with its related parties ("Proposed New Shareholders' Mandate").**

(collectively "the Proposals")

**1. INTRODUCTION**

At the last 47<sup>th</sup> AGM held on 20<sup>th</sup> April, 2017 the Company had obtained its shareholders' approval for the Group to enter into recurrent transactions of a revenue or trading nature with its related parties ("Shareholders' Mandate"). The authority for the Shareholders' Mandate will expire at the conclusion of the forthcoming 48<sup>th</sup> AGM of the Company to be convened.

On 14 February 2018, the Board announced its intention to seek shareholders' approval for the Proposals.

The purpose of this Circular is to provide you with relevant information on the Proposals, to set out your Board's recommendation thereon and to seek your approval for the resolutions relating to the Proposals to be tabled at the forthcoming AGM.

## **2. PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Listing Requirements**

Under Paragraph 10.09 of the Listing Requirements, a listed company may seek a shareholders' mandate in respect of Recurrent RPTs subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the consideration, assets value, capital outlay or costs of the Recurrent RPTs is RM1 million or more, or the percentage ratio of such Recurrent RPTs is 1% or more, whichever is higher;
- (c) issuance of a circular to shareholders by the Company containing information as specified in the Listing Requirements;
- (d) in a meeting to obtain shareholders' mandate, interested Directors, interested Major Shareholders and interested persons connected with such Director or Major Shareholder; and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution approving the transactions. An interested Director or interested Major Shareholder must also ensure that persons connected with him abstain from voting on the resolution approving the transactions;
- (e) the Company immediately announces to Bursa Securities when the actual value of a Recurrent RPTs entered into by the Company, exceeds the estimated value of Recurrent RPTs disclosed in this Circular by 10% or more.

### **2.2 Details of the Proposed Shareholders' Mandate**

The principal activities of the Company and the Group are production of beer, stout, shandy, cider and non-alcoholic beverages for sale and distribution in the local market and for export. The Group's product range includes Carlsberg, Carlsberg Smooth Draught, Carlsberg Special Brew, SKOL, SKOL Super, Royal Stout, Asahi Super Dry, Kronenbourg 1664 Blanc, Connor's Stout Porter, Nutrimalt, Jolly Shandy, Somersby Apple Cider, Somersby Blackberry Cider, Somersby Sparkling Rosé Cider, Corona Extra, Brooklyn Lager and Brooklyn East IPA craft beers.

In the ordinary course of its business, the Group has entered into certain Recurrent RPTs and it is anticipated that the companies within the Group would, in the ordinary course of business, continue to enter into such transactions with Related Parties, details of which are set out in Section 2.3 below. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

The Board is seeking shareholders' approval for the Proposed Shareholders' Mandate for the Group to enter into transactions in the normal course of business within the classes of Related Parties set out in Section 2.3 below, provided that such transactions are entered into at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and which will not be to the detriment of the minority shareholders of the Company. Such mandate will enable the Group to enter into the Recurrent RPTs without the necessity, in most instances, to make the required announcement or to convene meetings in order to procure specific prior approval of its shareholders. The Recurrent RPTs will also be subjected to the review procedures set out in Section 2.7 below.

The Proposed Shareholders' Mandate will take effect from the date the Ordinary Resolution is passed by the shareholders at the forthcoming 48<sup>th</sup> AGM and will remain in effect until:

- (a) the conclusion of the next AGM of the Company, following the general meeting at which the Proposed Shareholders' Mandate was passed at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed;

(b) the expiration of the period within which the next AGM after the date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by resolution passed by the shareholders in general meeting;

whichever is the earlier.

Thereafter, if the Board decides that the renewal of the Proposed Shareholders' Mandate is desirable, shareholders' approval for such renewal will be sought at each subsequent AGM of the Company.

## 2.3 Class and nature of the Recurrent RPTs

The Recurrent RPTs to be covered by the Proposed Shareholders' Mandate are general transactions by the Group relating to the sale and procurement of products and services to/from Related Parties in the normal course of the business of the Group. Details of these Recurrent RPTs are set out below:

(a) Proposed Renewal of Shareholders' Mandate

Transacting Parties	Interested Related Parties	Nature of Transaction	(1a) Estimated Value of Transactions from the mandate obtained at the 47 <sup>th</sup> AGM in 2017	(2) Actual Value Transacted	(1b) Estimated Value of Transactions from the 48 <sup>th</sup> AGM to the date of the next AGM in 2019
			(RM' million)	(RM' million)	(RM' million)
CBAS and the Group	LL, GJF, RAL and CBAS	Purchase of raw materials (hops, yeasts, aroma etc) and related services from CBAS	20.0-50.0	0.5 (21 April 2017 - 13 February 2018)	5.0-10.0
CBAS and the Group	LL, GJF, RAL and CBAS	Royalties payable to CBAS for inter alia, the exclusive use of trademark licences and supply of technical and commercial assistance	25.0-50.0	31.8	30.0-50.0
CSCAG and the Group	LL, GJF, RAL and CBAS	Purchase of materials and services (Advertising & Promotion items) from CSCAG	3.0-10.0	2.9	0.0
CVBL and the Group	LL, GJF, RAL and CBAS	Purchase of beverage products from CVBL	40.0-80.0	19.1	40.0-60.0
CHKL and the Group	LL, GJF, RAL and CBAS	Sale and supply of goods to CHKL	50.0-100.0	45.3	50.0-70.0



Transacting Parties	Interested Related Parties	Nature of Transaction	(1a) Estimated Value of Transactions from the mandate obtained at the 47 <sup>th</sup> AGM in 2017	(2) Actual Value Transacted	(1b) Estimated Value of Transactions from the 48 <sup>th</sup> AGM to the date of the next AGM in 2019
			(RM' million)	(RM' million)	(RM' million)
CTT and the Group	LL, GJF, RAL and CBAS	Sale and supply of goods to CTT	1.0-5.0	1.5 (21 April 2017 - 13 February 2018)	1.0-5.0
CBDCL and the Group	LL, GJF, RAL and CBAS	Sale and supply of goods to CBDCL	5.0-15.0	0.0	0.0
CBHKL and the Group	LL, GJF, RAL and CBAS	Provision of administrative support services from CBHKL	10.0-40.0	7.5	10.0-20.0
CCDOO and the Group	LL, GJF, RAL and CBAS	Purchase of beverage products from CCDOO	1.0-10.0	0.4	1.0-5.0
LAO and the Group	LL, GJF, RAL and CBAS	Sale and supply of goods to LAO	1.0-5.0	0.4	1.0-5.0
LBCL and the Group	LL, GJF, RAL and CBAS	Sale and supply of goods to LBCL	1.0-10.0	0.0	0.0
CSCAG and the Group	LL, GJF, RAL and CBAS	Sale and supply of goods to CSCAG	5.0-20.0	0.0	5.0-20.0
CSCAL and the Group	LL, GJF, RAL and CBAS	Purchase of beverage products and provision of administrative support services from CSCAL	5.0-15.0	1.9	1.0-5.0

(b) Proposed New Shareholders' Mandate

Transacting Parties	Interested Related Parties	Nature of Transaction	(1b) Estimated Value of Transactions
			(RM' million)
CSCAG and the Group	LL, GJF, RAL and CBAS	Purchase of beverage products, materials (Advertising & Promotion items) and services from CSCAG	2.0-6.0

**Notes:**

- (1) (a) *The estimated value of transactions for the period from the conclusion of the 47<sup>th</sup> AGM of the Company held on 20 April 2017 until the conclusion of the forthcoming 48<sup>th</sup> AGM of the Company in which the mandate had been obtained during the 47<sup>th</sup> AGM.*
- (b) *The estimated value of transactions for the period from the conclusion of the forthcoming 48<sup>th</sup> AGM of the Company until the conclusion of the next AGM of the Company in 2019 is based on the budget of the Group and may be subject to changes.*
- (2) *The nature of relationship with the above Related Parties as at 13 February 2018 is as follows:*
- (i) *CBAS is the holding company and Major Shareholder of the Company, holding an equity interest of 51.0% in the Company. The Company in turn holds 100% interest in both CMSB and CSPL.*
- (ii) *GJF and RAL, who are Non-Executive Directors of the Company, are the Executive Vice-President and Asia of CBAS, Vice President Finance, Asia of CBAS respectively. LL is the Managing Director of the Company. All the three (3) Directors namely, GJF, RAL and LL are nominees/representatives of CBAS and do not hold any shares in CBAS or the Company.*
- (iii) *CBHKL, CBDCL, CHKL, CTT, CSCAG, CSCAL, CVBL, CCDOO and LAO are subsidiaries of CBAS and do not hold any direct equity interest in the Company.*
- (iv) *CBAS holds 49.6% equity interest in CTT.*
- (v) *The Company holds 25.0% equity interest in LBCL.*

**2.4 Amount Due and Owing to the Company by Related Parties**

As at the financial year ended 31 December 2017, there were no amounts due and owing to the Company by its Related Parties, which exceeded the credit term given arising from the RRPTs as per Section 2.3(a) of this Circular. The payments were made within the agreed credit terms.

**2.5 Terms of the Recurrent RPTs**

The terms of the Recurrent RPTs are consistent with the Group's usual business practices and policies and are not more favourable to the Related Parties than to the public (where applicable) and are not to the detriment of the minority shareholders of the Company.

However, the condition that the terms of the transactions are not more favourable to the Related Parties than to the public may not be applicable to royalties payable to CBAS. The royalties' payable by the Company to CBAS represents a typical transaction between the proprietor/supplier of trade names and know-how and the manufacturer/distributor of the products and have been approved by the Ministry of International Trade and Industry.

**2.6 Rationale and Benefits for the Proposed Shareholders' Mandate**

The Recurrent RPTs envisaged under the Proposed Shareholders' Mandate are in the ordinary course of business of the Group. They are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and arise at any time and from time to time. As such, it may be impractical to seek shareholders' approval on a case-by-case basis before entering into such transactions.

The obtaining of the Proposed Shareholders' Mandate and the renewal of the same on an annual basis would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when potential Recurrent RPTs arise, thereby substantially reducing administrative time, inconvenience and expenses associated with the convening of such meetings, without

compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

The various Recurrent RPTs entered into by the Group as detailed in Section 2.3 above have been entered into, and will continue to be entered into, to meet the Group's business needs at the best possible terms and in the best interest of the Group.

## **2.7 Review procedures for the Recurrent RPTs**

The management of the Group has ensured, and will continue to ensure, that Recurrent RPTs will only be entered into after taking into account the pricing, quality of products and services and other related factors on terms not more favourable to the Related Parties than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders.

In so doing, the management of the Group has implemented and will continue to implement, the following methods and procedures to ensure that the Recurrent RPTs are undertaken on an arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public (where applicable):

- (a) the management of the Group are cognisant that, as in the past, all Recurrent RPTs are required to be undertaken on an arm's length basis and on normal commercial terms (where applicable), where at least 2 other contemporaneous quotations will be obtained from unrelated/third parties to ascertain appropriate prices and be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities. In the event that quotation or comparative price from unrelated third parties cannot be obtained, the price of the products or services shall be determined based on the usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations to ensure that the transactions are not detrimental to the Group;
- (b) records are maintained by the Group to capture all Recurrent RPTs which are entered into pursuant to the Proposed Shareholders' Mandate and the threshold for approval of Recurrent RPTs currently practiced within the Group is RM1.0 million per annum. The Recurrent RPTs will be approved according to the level of authority pursuant to the internal guidelines or procedures for approving the Recurrent RPTs, where the Recurrent RPTs up to or above RM1.0 million shall be approved by the Board of Directors of the Company and the Recurrent RPTs below such amount will need the endorsement of the Managing Director and senior management team;
- (c) review by the Internal Audit Department of the Company of all Recurrent RPTs entered into pursuant to the Proposed Shareholders' Mandate to ensure that the relevant approvals have been obtained and transactions are undertaken on an arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public (where applicable) and are not detrimental to the minority shareholders; However, the condition that the terms of the transactions are not more favourable to the Related Parties than to the public may not be applicable to royalties payable to CBAS as mentioned in section 2.3 above;
- (d) review by the Audit & Risk Management Committee of the internal audit reports to ascertain that the guidelines and procedures established to monitor all Recurrent RPTs have been complied with and the review shall be done at least once a year; and
- (e) review by the Board and the Audit & Risk Management Committee of the procedures as and when necessary, with the authority to sub-delegate to individuals or committees within the Company as they deem appropriate. If a member of the Board or Audit & Risk Management Committee has an interest (direct or indirect) in the transaction, he shall abstain from any decision-making by the Board or the Audit & Risk Management Committee in respect of that transaction.

## 2.8 Statement by the Audit & Risk Management Committee

The Audit & Risk Management Committee has reviewed the terms of the Proposed Shareholders' Mandate and is satisfied that the review procedures for Recurrent RPTs, as well as the annual reviews to be made by the Audit & Risk Management Committee in relation thereto, are sufficient to ensure that Recurrent RPTs will be made at arm's length and in accordance with the Group's normal commercial terms, and hence, will not be prejudicial to the minority shareholders or disadvantageous to the Group and are not more favourable to the related party than those generally available to the public save for royalties payable by the Company to CBAS as stated under Section 2.3 of this Circular.

The Group has put in place adequate procedures and processes to monitor, track and identify Recurrent RPTs in a timely and orderly manner. The Audit & Risk Management Committee conducts the review of these procedures and processes on a yearly basis.

## 2.9 Interests of Directors' and Major Shareholders' interests and/or Persons Connected to them

### Interested Directors:

Lars Lehmann, Graham James Fewkes and Roland Arthur Lawrence are deemed interested in the Proposed Shareholders' Mandate as stated under Section 2.3 above as they are acting as nominees/representatives of CBAS.

The interested Directors, namely Lars Lehmann, Graham James Fewkes and Roland Arthur Lawrence have abstained and will continue to abstain from deliberating and voting on the resolutions in respect of the Proposed Shareholders' Mandate at the relevant meetings of the Audit & Risk Management Committee and/or Board.

The abovementioned interested Directors have also undertaken to ensure that the persons connected to them will abstain from deliberating and voting on the resolutions on respect of the Proposed Shareholders' Mandate at the forthcoming 48<sup>th</sup> AGM.

### Interested Major Shareholders:

CBAS (the holding company and Major Shareholder of the Company) and its subsidiaries are involved in the Recurrent RPTs set out in Section 2.3. CBAS as the Major Shareholder will abstain and will also undertake to ensure that the persons connected to it abstain from voting in respect of their direct and indirect shareholdings in the Company on the resolutions in respect of the Proposed Shareholders' Mandate to be tabled at the forthcoming 48<sup>th</sup> AGM.

Save as disclosed above, none of the other Directors or Major Shareholders of the Company and/or persons connected to them have any interest, direct or indirect, in the Proposed Shareholders' Mandate.

The following table illustrates the direct and indirect shareholding of the Directors and/or Major Shareholders and/or persons connected with the Directors/Major Shareholders in the Proposed Shareholders' Mandate in the Company as at 13 February 2018 (being the last practical date prior to printing of this Circular):

	Direct		Indirect	
	No of shares	%	No of shares	%
<b>INTERESTED DIRECTORS:</b>				
Lars Lehmann	-	-	-	-
Graham James Fewkes	-	-	-	-
Roland Arthur Lawrence	-	-	-	-

	Direct		Indirect	
	No of shares	%	No of shares	%
<b>INTERESTED MAJOR SHAREHOLDER:</b>				
CBAS	155,932,500	51.00	-	-

### 3. **CONDITION OF THE PROPOSALS**

The Proposals are subject to the approval being obtained from the shareholders of the Company at the forthcoming AGM to be convened.

### 4. **DIRECTORS' RECOMMENDATION**

Having considered the Proposals, your Board (save for the interested Directors specified in Section 2.9 above namely Lars Lehmann, Graham James Fewkes and Roland Arthur Lawrence, who have all abstained from making a recommendation on the Proposed Shareholders' Mandate as they are deemed interested in the Proposed Shareholders' Mandate), is of the opinion that the Proposals are in the best interest of the Company. Your Board (save for Lars Lehmann, Graham James Fewkes and Roland Arthur Lawrence) therefore recommends that you vote in favour of the resolutions pertaining to the Proposals to be tabled at the forthcoming 48<sup>th</sup> AGM.

### 5. **AGM**

The Ordinary Resolutions to approve the Proposals are set out in Appendix II of this Circular and as Special Business in the Notice of AGM contained in the Company's Annual Report for the financial year ended 31 December 2017, which has been sent to you together with this Circular. The 48<sup>th</sup> AGM will be held at Sime Darby Convention Centre, Ballroom 1 & 2, First Floor, 1A, Jalan Bukit Kiara, 60000 Kuala Lumpur on Thursday, 12 April 2018 at 11.00 a.m.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the Form of Proxy enclosed in the Company's Annual Report in accordance with the instructions printed therein as soon as possible, so as to arrive at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd, located at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, no later than 48 hours before the time set for the AGM or any adjournment thereof. The completion and lodging of the Form of Proxy does not preclude you from attending and voting in person at the AGM if you subsequently wish to do so.

### 6. **FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendices for further information.

Yours faithfully  
For and on behalf of the Board of Directors of  
**CARLSBERG BREWERY MALAYSIA BERHAD**

**Dato' Lim Say Chong**  
Chairman

**FURTHER INFORMATION**

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**1. Responsibility Statement**

This Circular has been reviewed and approved by the Board and its members individually and collectively accept full responsibility for the accuracy of the information contained herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Circular misleading.

**2. Material Contracts**

The Company and its subsidiary companies have not entered into any contracts which are material during the two (2) years preceding the date of this Circular other than contracts entered into in the ordinary course of business.

**3. Material Litigation, Claims or Arbitration**

Neither the Company nor any of its subsidiary companies are engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and the Directors do not have any knowledge of any proceedings, pending or threatened, against the Company or any of its subsidiary companies or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Company or its subsidiary companies.

**4. Documents for Inspection**

Copies of the following documents are available for inspection at the Registered Office of the Company at No. 55, Persiaran Selangor, Section 15, 40200 Shah Alam, Selangor Darul Ehsan, during normal business hours from Mondays to Fridays (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of the forthcoming AGM:

- (i) Constitution of the Company; and
- (ii) Audited financial statements of the Company for the past 2 financial years ended 31 December 2016 and 2017.

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**CARLSBERG BREWERY MALAYSIA BERHAD**

(Company No.: 9210-K)  
(Incorporated in Malaysia)

**EXTRACT OF NOTICE OF THE FORTY-EIGHTH ANNUAL GENERAL MEETING****SPECIAL BUSINESS**

To consider and, if thought fit, to pass the following Resolutions, with or without modifications, as Ordinary Resolutions of the Company:

**ORDINARY RESOLUTION 12****PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

“THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies (“the Group”) be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related party as set out in Section 2.3(a) of the Circular to Shareholders dated 12 March 2018 (“the Related Party”) provided that such transactions are:-

- (a) necessary for the day-to-day operations;
- (b) undertaken in the ordinary course of business at arm’s length basis and on normal commercial terms and transaction prices which are not more favourable to the Related Party than those generally available to the public; and
- (c) are not prejudicial to the minority shareholders of the Company

(“the Shareholders’ Mandate”).

THAT such approval shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following this AGM at which the Shareholders’ Mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“the Act”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by shareholders of the Company in a general meeting,

whichever is the earliest;

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders’ Mandate.”

**ORDINARY RESOLUTION 13****PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

“THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies (“the Group”) be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related party as set out in Section 2.3(b) of the Circular to Shareholders dated 12 March 2018 (“the Related Party”) provided that such transactions and/or arrangements are:-

**EXTRACT OF NOTICE OF THE 48<sup>TH</sup> AGM**

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- (a) necessary for the day-to-day operations;
- (b) undertaken in the ordinary course of business at arm's length basis and on normal commercial terms and transaction prices which are not more favourable to the Related Party than those generally available to the public; and
- (c) are not prejudicial to the minority shareholders of the Company

("the Shareholders' Mandate")

THAT such approval shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which the Shareholders' Mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed; or
- (b) the expiration of the period within the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is the earliest;

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate."

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