

FOR IMMEDIATE RELEASE

Press Statement 20/2019

16 May 2019

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Q1FY19 net profit up 8.4% on strong revenue growth

Good Chinese New Year campaign secured solid start for 2019; interim dividends of 21.5 sen per share declared

SHAH ALAM, 16 May 2019 – Carlsberg Brewery Malaysia Berhad (the Group) reported a net profit of RM87.6 million for the quarter ended 31 March 2019 (Q1FY19). This represents an increase of 8.4% on the back of a revenue growth of 20.3% to RM659.9 million vs. Q1FY18 mainly from higher sales during Chinese New Year (CNY) in both Malaysia and Singapore.

On a comparable basis, recognising the changes from the Goods and Services Tax (GST) to a Sales and Services Tax (SST) regime, the Group's organic revenue still grew a healthy 14.6% to RM628.6 million in Q1FY19 vs. Q1FY18. The Group's organic net profit grew by 15.1% when excluding the RM4.7 million one-off income from its share of the final insurance compensation in its associate company Lion Brewery (Ceylon) PLC in Q1FY18 related to the 2016 flooding of the brewery.

Revenue of the Malaysia operations grew by 23.7% to RM501.9 million and profit from operations increased by 10.2% to RM90.9 million in Q1FY19. Organic revenue grew 16.0% excluding the impact of SST.

Revenue of the Singapore operations grew by 10.7% to RM158.1 million and profit from operations increased by 16.3% to RM20.7 million in Q1FY19 from effective execution of the CNY campaign.

Earnings per share for the quarter was 28.65 sen compared to 26.43 sen for the corresponding quarter last year.

In line with its dividend policy, the Group proposed an interim dividend of 21.5 sen per ordinary share, which represents a payout ratio of 75% of its consolidated net profit for Q1FY19.

New Managing Director Ted Akiskalos, who took office in May, commented, "Our first quarter results were very satisfactory and continue our strong track record of growing revenue and net profit to our shareholders. Under the leadership of my predecessor Lars Lehmann, we had a successful CNY campaign in both Malaysia and Singapore and continue to grow all our brands in both markets including Carlsberg, Carlsberg Smooth Draught, Somersby Cider, Kronenbourg 1664 Blanc, Asahi Super Dry and Connor's Stout Porter."

“In March, we launched a new Somersby innovation inspired by white wine – Sparkling White – which complements Somersby Sparkling Rosé. In April and May, we are running Carlsberg Smooth Draught “POP & Win” promotions and Probably the Best Harvest campaign in East Malaysia,” he shared.

“We will continue to invest in great innovations, excellent product quality and relevant consumer activations in both Malaysia and Singapore, while keeping our costs under control,” Akiskalos added.

The Group welcomes the Malaysian government’s decision to reduce the restrictions on duty-free alcohol sales on duty-free islands and encourages the government to keep increasing enforcement against illegal and counterfeit beer and alcohol.

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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 beer Asahi Super Dry, Somersby cider, Connor’s Stout Porter, US award-winning craft beer Brooklyn Brewery as well as imported Mexican beer Corona Extra. Our local brands include SKOL, Royal Stout, Jolly Shandy and Nutrimalt..