

# FINANCIAL RESULTS PRESS & ANALYST BRIEFING

Carlsberg  
Malaysia

21 February 2020

Q4'19



# New Managing Director

## Stefano Clini

*Aged 53, Italian, appointed on 26 October 2019.*

- ✦ Stefano has overall responsibility for the Carlsberg Malaysia Group, covering our operations in Malaysia and Singapore, and oversees Carlsberg's investment in Sri Lanka.
- ✦ He joined the Carlsberg Group in September 2017 as the Managing Director of Carlsberg Vietnam Breweries Ltd. and was previously Managing Director of British American Tobacco Malaysia from 2013 to 2016.
- ✦ He has 30 years of experience in the global consumer goods industry with leadership and commercial roles in Italy, Belgium, Switzerland and Turkey.



# New Leadership Team Members



**Pauline Lim**

*Malaysian, 43*

**Human Resources Director**

🏆 Appointed on 25 November 2019



**Peter Wachenschwanz**

*German, 35*

**Senior Supply Chain Director**

🏆 Appointed on 7 February 2020



**Koh Poi San**

*Malaysian, 45*

**Legal and Company Secretarial Director**

🏆 Appointed on 17 February 2020

# FY19 Net Profit up 5%

Revenue up 13.8% to RM2.26 bil;  
profit from operations increased 8.0% to RM374.9 mil



FY19 vs. FY18



Successful re-launch of  
Carlsberg Danish Pilsner



Premiumization  
& Innovation



Share of Profits  
of RM16.3m from  
Lion Brewery  
(Ceylon) PLC



Dividend at 100.0 sen;  
105.1% payout ratio of  
net profit

# 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**



# Record Growth Momentum in Q4 and FY '19



## 2019

Results		Q4 '19 (RM million)	FY '19 (RM million)
Revenue	↑	573.9 +9.2%	2,256.6 +13.8%
Net Profit	↑	69.0 +2.3%	291.0 +5.0%
EPS ( <i>sen</i> )	↑		95.18 +5.0%

- FY19 organic revenue grew 10.2% after adjusting for impact of Sales and Services Tax (“SST”) effective 1 Sep 2018.
- FY19 organic net profit up 6.8% after excluding a non-recurring insurance compensation from Lion Brewery (Ceylon) PLC in FY18 results.
- MY: FY19 organic revenue +10.8% and profit from operations improved 8.0% to RM274.3 mil year-on-year.
- SG: FY19 revenue +8.6% and profit from operations rose 8.3% to RM100.5 mil year-on-year.
- In Sri Lanka, a lower share of profit by 22.3% to RM16.3mil in FY19 despite better performance due to non-recurring insurance income in last year’s results and non-cash impairment losses on its Miller Brewery Limited brands.

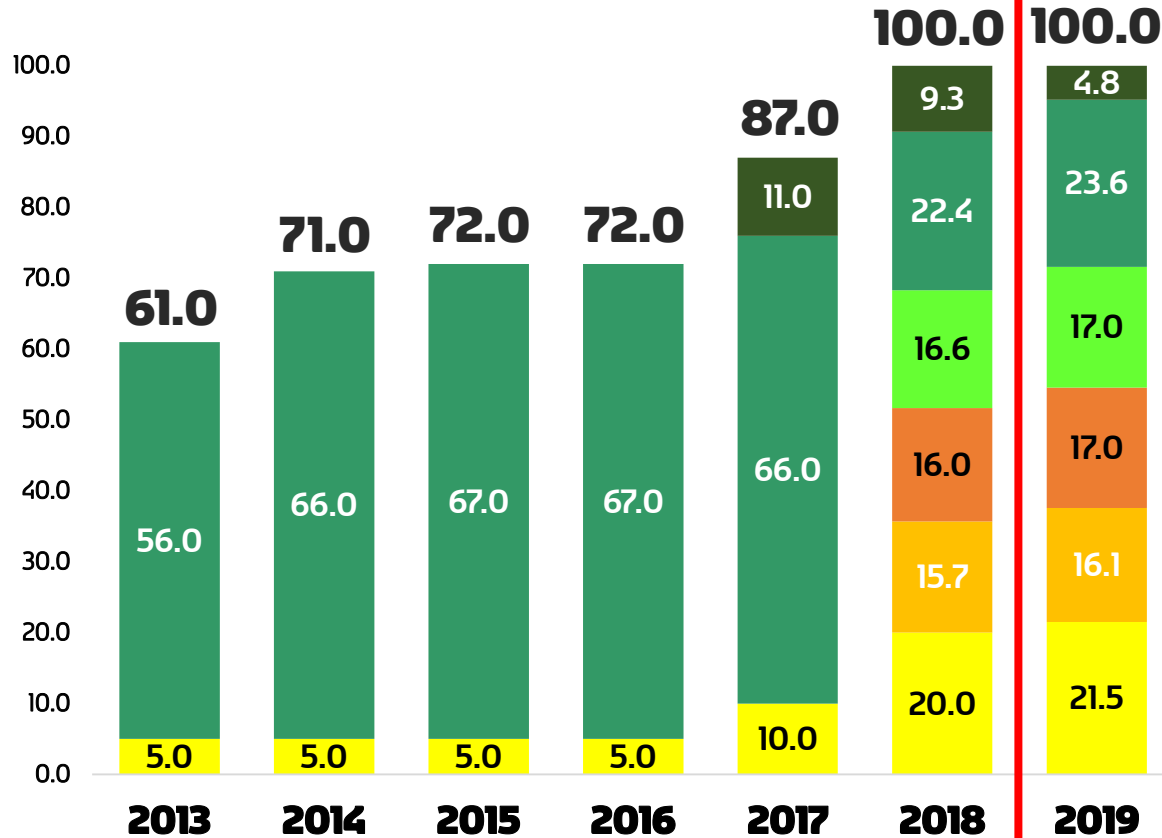
# Dividends from FY2013 – FY2019



**DELIVER VALUE FOR SHAREHOLDERS**



High and Stable Dividend Yield



Dividend policy: Interim dividends declared on a quarterly basis, with a target payout of at least 75% of the Group's quarterly consolidated net profit.

- Special Dividend (Single Tier)
- Final Dividend (Single Tier)
- Fourth Interim Dividend (Single Tier)
- Third Interim Dividend (Single Tier)
- Second Interim Dividend (Single Tier)
- First Interim Dividend (Single Tier)

# 7% Growth in CORE BEER

CARLSBERG  
DANISH PILSNER

**+5%**

CARLSBERG  
SMOOTH DRAUGHT

**+24%**



FY19 vs. FY18



- Carlsberg Smooth Draught continues to drive category growth, closing FY'19 with volumes up 24% in MY and 30% in SG vs. FY'18.
- Flagship Carlsberg Danish Pilsner grew 15% in Q4'19 vs. Q4'18 on the back of positive consumer response to Carlsberg's new look and practical betterments launched in 2H'19.



# 13% Growth in PREMIUM

- 1664 Blanc and Connor's Stout Porter maintained strong double-digit growth momentum.
- Overall category growth from consumer preference + continued investments in promotions and sampling.



FY19 vs. FY18



# 58% Growth in CRAFT

FY19 vs. FY18



Malaysia  
**+115%**

Singapore  
**+44%**



- Introduced Brooklyn Summer Ale seasonal variant in Malaysia for the first time
- Expanded retail presence on e-commerce platforms in MY + premium supermarkets in SG



# Inclusion in MSCI Global Standard Index



- Listed as one of 40 constituents effective 28 Feb 2020.
- The index measures the performance of the large and mid-cap segments of the Malaysian market, covering about 85% of the Malaysian equity universe.

Source: <https://www.theedgemarkets.com/article/carlsberg-bat-out-msci-global-standard-index>

Other accolades/recognition in FY2019:

1. **FTSE4Good Bursa Malaysia Index** inclusion
2. **The Edge Billion Ringgit Club** Best Corporate Responsibility Award (under RM10 billion market cap)
3. **Putra Brand Awards** – Carlsberg & Somersby
4. **International Beer Challenge & World Beer Awards** – Royal Stout

# FY'20 OUTLOOK



# FY2020 OUTLOOK



- ❖ Q1 FY'20 sales will be impacted by trade loading in December '19 in view of **early CNY '20**.
- ❖ **Cautious outlook** in response to the **lower 2020 GDP growth forecast** to 4.5% in MY & 0.9% in SG.
- ❖ **Covid-19** is an important variable for macroeconomics and consumer sentiment.
- ❖ Increased focus on **innovations and premiumisation** initiatives.
- ❖ Continue execution of **SAIL'22** priorities and intensify **Fund the Journey** cost-optimisation initiatives.

# THANK YOU



National Conference 2020  
KEEP WINNING

Carlsberg  
Malaysia