

FOR IMMEDIATE RELEASE

Press Statement 27/2023

1 November 2023

Page 1 of 2

Carlsberg Malaysia reports Revenue of RM513mil and Net Profit of RM76mil in Q3FY23

Financial Highlights for the quarter ended 30 September 2023 (Q3FY23):

- Group revenue declined by 10.2% to RM513.4 million (Q3FY22: RM571.6 million)
 - Malaysia revenue declined by 14.2% to RM362.0 million (Q3FY22: RM421.7million)
 - Singapore revenue up 1.0% to RM151.4 million (Q3FY22: RM149.9 million)
- Group profit from operations declined by 11.9% to RM90.2 million (Q3FY22: RM102.4 million)
 - Malaysia profit from operations declined 11.7% to RM73.9 million (Q3FY22: RM83.7 million)
 - Singapore profit from operations declined 12.9% to RM16.3 million (Q3FY22: RM18.7 million)
- Group net profit declined by 0.6% to RM75.9 million (Q3FY22: RM76.4 million)
- Group earnings per share (EPS) at 24.84 sen (Q3FY22: 24.98 sen)

Financial Highlights for the nine months ended 30 September 2023 (9MFY23):

- Group revenue declined 6.6% to RM1.68 billion (9MFY22: RM1.80 billion)
 - Malaysia revenue declined 7.8% to RM1.20 billion (9MFY22: RM1.30 billion)
 - Singapore revenue declined 3.5% to RM477.4 million (9MFY22: RM494.9 million)
- Group profit from operations declined by 9.7% to RM308.4 million (9MFY22: RM341.6 million)
 - Malaysia profit from operations declined 11.0% to RM245.3 million (9MFY22: RM275.6 million)
 - Singapore profit from operations declined 4.6% to RM63.1 million (9MFY22: RM66.1 million)
- Group net profit declined 3.0% to RM249.2 million (9MFY22: RM256.9 million)
- Group earnings per share (EPS) at 81.51 sen (9MFY22: 84.03 sen)
- Proposed interim dividend per share at 19 sen (3QFY22 dividends per share: 19 sen)

SHAH ALAM, 1 November 2023 – Carlsberg Brewery Malaysia Berhad (“the Group”) has reported a decline in revenue of 10.2% to RM513.4 million and a decline of 0.6% in net profit to RM75.9 million for the third quarter ended 30 September 2023 (Q3FY23) versus the same quarter last year due to a weaker trading environment and softer consumer sentiment. The decline in revenue was mitigated at net profit level by the absence of the prosperity tax imposed last year as well as higher share of profit from the Group’s Sri Lankan-based associate company Lion Brewery (Ceylon) PLC.

The Group’s earnings per share (EPS) for Q3FY23 were 24.84 sen, compared to 24.98 sen in Q3FY22.

The Board of Directors is pleased to announce an interim dividend of 19 sen per share for Q3FY23. This brings the total interim dividend for nine months to 62 sen per share.

For the cumulative nine months ended 30 September 2023 (9MFY23), the Group’s revenue decreased by 6.6% to RM1.68 billion, while its net profit declined by 3.0% to RM249.2 million against the same

period last year. The subdued performance is due to weaker consumer sentiment, compared to the post-Omicron recovery and pent-up consumer demand a year ago in both Malaysia and Singapore. This was mitigated by an increase in profit from the Group's Sri Lankan-based associate company Lion Brewery (Ceylon) PLC due to stronger business performance and the absence of one-off surcharge tax expense of RM3.7 million incurred last year.

Carlsberg Malaysia's Managing Director Stefano Clini commented: "The persistent weak consumer sentiment has continued to affect our third-quarter results. The higher interest rates and ongoing concerns over the escalating cost of living, particularly the rising cost of food amidst the backdrop of global economic uncertainty, continue to put pressure on consumer spending".

In addition, we are pleased that on 23 October 2023, the Group took home the highest 'Return-on-Equity' Award over a three-year period for the fourth consecutive time, within the Consumer Products & Services category, at The Edge Billion Ringgit Club (BRC) Awards 2023. As reported in its Integrated Annual Report 2022, the Group has a return on shareholders' fund of 181.1% in 2022, 107.9% in 2021 and 105.1% in 2020 respectively.

On prospects, the Group maintains a cautious outlook due to the anticipated higher inflationary pressures, and rising interest rates that are expected to depress consumer spending. On the other hand, the end of Prosperity Tax 2022 in Malaysia will positively impact the Group's net profit.

Guided by the SAIL'27 strategy, the Group will continue to invest and grow our well-positioned portfolio of brands, whilst staying focused and vigilant on both its revenue management and cost optimisation initiatives.

On 1 November 2023, the Group has entered into a Memorandum of Understanding ("MoU") with Sapporo Breweries Ltd for the exclusive manufacturing and distribution of Sapporo Premium Beer in Malaysia commencing from 2024. Similarly, the Group's Singaporean operations shall have joint-distribution rights to sell and distribute both Sapporo Premium Beer and Yebisu.

"We are pleased to announce our partnership with the pioneer premium beer brand in Japan. Sapporo, with its rich history and high standard of quality, perfectly aligns with our SAIL'27 premiumisation strategy. Our partnership marks the beginning of an exciting journey as we are here to build the brand over the long term, and we look forward to a successful launch next year. The annual net profit impact of the non-renewal of Asahi to the Group (approximately RM30m) will be progressively mitigated by the introduction of Sapporo with effect from 2024 " said Clini.

For the year-end festivities, the Group will launch the limited edition 1664 PRESTIGE, packaged in a 750ml bottle and brewed with the finest champagne yeast, in Malaysia and Singapore to elevate the premium drinking experience in selected premium night outlets. In Malaysia, Connor's Stout Porter celebrates International Stout Month with compelling consumer promotions and will host its inaugural brand collaboration music festival with the REXKL.

For more communication materials, scan here:



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About Carlsberg Malaysia

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 Hong Kong, Taiwan, Laos, Cambodia and Thailand.

Our international portfolio of brands features Probably the Best Beer In The World – Carlsberg Danish Pilsner, Carlsberg Smooth Draught and Carlsberg Special Brew as well as Carlsberg Alcohol Free Pilsner. This Carlsberg trio is complemented by international premium brews including France’s premium wheat beer 1664 Blanc, 1664 Rosé, European cider Somersby, British-inspired Connor’s Stout Porter draught, and craft beer Brooklyn Brewery as well as Tuborg Strong. Our local brands include SKOL, Royal Stout, and Nutrimalt.

Our approximately 600-strong workforce sell our products in a responsible manner within our sustainability-driven business. Our products are for non-Muslim consumers aged 21 and above. Please #CelebrateResponsibly – if you drink, don’t drive!
Find out more at www.carlsbergmalaysia.com.my