INTEGRATED ANNUAL REPORT 2024

BREWING TRANSFORMATION FOR A BETTER TODAY AND TOMORROW

BASIS OF THIS REPORT

Carlsberg Malaysia Group's Integrated Annual Report 2024 reaffirms our commitment to delivering a comprehensive and transparent account of our financial and non-financial performance. This Report covers our activities from 1 January to 31 December 2024.

We are guided by the Value Reporting Foundation's integrated reporting framework, which ensures a holistic and detailed overview of our strategic priorities, financial performance and non-financial performance. Our non-financial disclosures encompass our environmental, social and governance (ESG) performance.

SCOPE AND BOUNDARIES

As a public company listed on the Main Market of Bursa Malaysia Securities Berhad (Bursa Malaysia), Carlsberg Brewery Malaysia Berhad's (Carlsberg Malaysia Group) Integrated Annual Report 2024 includes the financial performance of our operations in Malaysia and Singapore, including MayBev Pte. Ltd., a subsidiary of Carlsberg Singapore Pte. Ltd. The Report also reflects the Group's share of the results of Lion Brewery (Ceylon) PLC, our associate company in Sri Lanka.

Our non-financial performance is reported in the Management Discussion and Analysis and Sustainability Statement, covering strategy, business operations, sustainability-related risk and opportunities pertaining only to our material Malaysian and Singaporean operations, excluding MayBev Pte. Ltd.

GUIDELINES AND STANDARDS

This Report adheres to relevant rules and regulations while referring to local and international guidelines and best practices, including:

Local:
- Bursa Malaysia's Main Market Listing Requirements (MMLR)
- The Companies Act 2016
- Bursa Malaysia's Management Discussion and Analysis Guidelines
- Bursa Malaysia's Corporate Governance Guide, 4th Edition
- The Malaysian Code on Corporate Governance 2021 (MCCG 2021)
- The Malaysian Financial Reporting Standards
- Bursa Malaysia's Sustainability Reporting Guide, 3rd Edition
- Bursa Malaysia's Illustrative Sustainability Report

International:
- The International <IR> Framework
- Global Reporting Initiative (GRI) Standards
- The International Financial Reporting Standards (IFRS) S1 and S2 and other applicable regulatory requirements
- The Greenhouse Gas (GHG) Protocol
- Sustainability Accounting Standards Board (SASB)
- United Nations Sustainable Development Goals (UN SDGs)
- UN Global Compact Index

Unless stated otherwise, all information in this Report is applicable as of 31 December 2024.

BOARD APPROVAL

The Board acknowledges its accountability for ensuring the integrity of this Integrated Annual Report, supported by sound governance and internal reporting practices. The Board has exercised oversight and officially endorsed this Report on 17 March 2025.

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements regarding the Group's future performance, which are based on reasonable assumptions at the time of issuance. However, actual outcomes may differ materially due to factors beyond our control, including changes in global or national economic conditions and other uncertainties.

COMPLEMENTARY RESOURCES

CARLSBERG MALAYSIA GROUP REPORTS
- Integrated Annual Report 2023
- Integrated Annual Report 2022

CARLSBERG GROUP REPORTS
- Annual Report 2024

CARLSBERG GROUP POLICIES
- Anti-Bribery and Corruption Policy
- Brand Promoter Manual
- Environmental Policy
- Code of Ethics and Conduct
- Data Ethics Policy
- Diversity, Equity and Inclusion Policy
- Gifts, Entertainment and Donations Manual
- Health and Safety Policy
- Human Rights Policy
- Investor Relations Policy
- Marketing Communications Policy
- Supplier and Licensee Code of Conduct
- Tax Policy
- Whistleblowing Policy

INSIDE THIS REPORT

COVER RATIONALE

2024 was a year of celebration as we launched two premium brands, embedded a growth culture as our DNA and delivered record revenue and profit, all while achieving significant brewery transformation milestones. Guided by our Accelerate SAIL strategy, we embraced transformative change while continuing to deliver excellence in Brewing Transformation for a Better Today and Tomorrow. As we move forward, our commitment to excellence, innovation and sustainability remains strong, driving long-term value for our stakeholders. With a clear growth ambition and a sharpened strategy, we are set to accelerate growth while navigating the future with resilience and purpose.

ACCELERATE SAIL

Launched in February 2024, Accelerate SAIL sets high ambitions for top- and bottom-line growth as we sharpen our focus on selected growth drivers within our portfolio and capabilities, for which we are ensuring sufficient investments and support. We are also improving supply chain efficiency, continuing our well-embedded cost focus, developing a growth culture and maintaining our commitment to ESG.

PORTFOLIO CHOICES

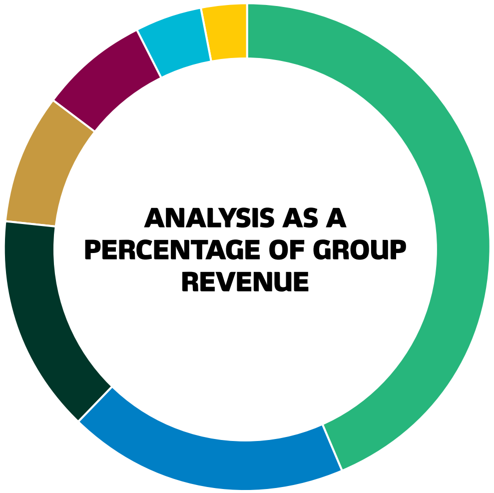
EXECUTION EXCELLENCE

FUNDING OUR JOURNEY

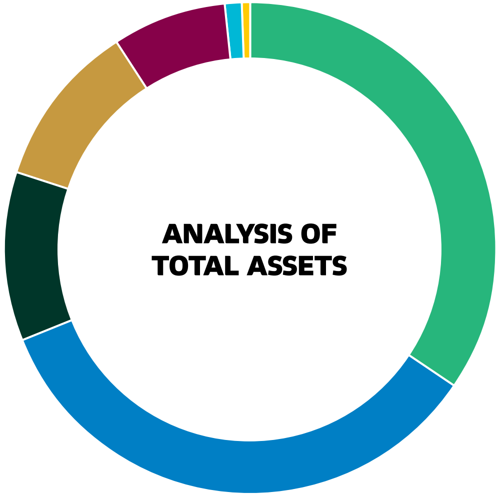
WINNING CULTURE

Please scan for find more information on our website at www.carlsbergmalaysia.com.my

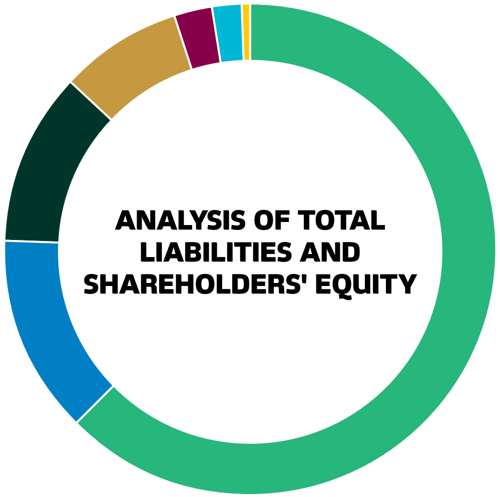
OVERVIEW OF FINANCIAL PERFORMANCE



	2024	2023
Excise and Customs Duties	**43.7%**	43.9%
Sales, Distribution, Administration and Others	**18.7%**	20.0%
Profit After Taxation	**14.3%**	14.8%
Raw & Packaging Materials Costs	**8.6%**	7.9%
Staff Costs	**7.3%**	7.0%
Taxation	**4.5%**	3.6%
Depreciation	**2.9%**	2.8%



	2024	2023
Property, Plant & Equipment and Right-of-use Assets	**34.7%**	33.4%
Receivables, Deposits and Prepayments	**34.4%**	37.8%
Inventories	**11.0%**	9.6%
Investments	**10.8%**	8.7%
Cash and Cash Equivalents	**7.5%**	9.3%
Intangible Assets	**1.1%**	0.5%
Other Assets	**0.5%**	0.7%



	2024	2023
Payables and Accruals	**62.5%**	59.6%
Share Capital	**13.2%**	14.7%
Reserves	**11.3%**	7.7%
Loans, Borrowings and Lease Liabilities	**8.1%**	12.9%
Current Tax Liabilities	**2.6%**	4.1%
Other Liabilities	**1.9%**	0.5%
Non-controlling Interests	**0.4%**	0.5%

OVERVIEW OF FINANCIAL PERFORMANCE

STATEMENTS OF COMPREHENSIVE INCOME (RM MILLION)

	2024	2023	2022	2021	2020
Revenue	**2,376.4**	2,260.9	2,412.5	1,772.8	1,785.0
Profit Before Taxation	**448.3**	417.1	444.4	259.6	209.8
Taxation	**107.6**	82.2	119.5	55.2	43.6
Profit for the Financial Year	**340.7**	334.9	324.9	204.4	166.2

STATEMENTS OF FINANCIAL POSITION (RM MILLION)

	2024	2023	2022	2021	2020
Issued and Paid-up Share Capital	**149.4**	149.4	149.4	149.4	149.4
Retained Earnings	**150.0**	106.3	45.5	62.3	17.2
Other Reserves	**(21.2)**	(26.6)	(47.2)	(0.5)	1.3
Shareholders' Fund	**278.2**	229.1	147.7	211.1	167.9
Deferred Taxation Liabilities / (Assets)	**14.5**	(2.5)	2.6	7.9	15.8
Net Non-Current Liabilities	**9.5**	9.1	7.1	8.4	4.1
Non-controlling Interests	**5.0**	5.5	6.5	4.5	6.8
	307.2	241.2	163.9	231.9	194.6
Property, Plant and Equipment, Right-of-use Assets and Intangible Assets (Net Book Value)	**405.3**	344.8	322.0	226.8	227.6
Investment in an Associate	**122.5**	88.6	66.9	94.7	92.5
Net Current Liabilities	**(220.6)**	(192.2)	(225.0)	(89.6)	(125.5)
	307.2	241.2	163.9	231.9	194.6

FINANCIAL RATIO

	2024	2023	2022	2021	2020
Earnings per Ordinary Share (Sen)*	**110.25**	107.03	103.70	65.74	53.04
Net Assets Backing per Ordinary Share (RM)*	**0.91**	0.75	0.48	0.69	0.55
Return on Shareholders' Fund (%)+	**134.3**	177.8	181.1	107.9	105.1
Current Ratio	**0.7**	0.8	0.7	0.8	0.7
Bursa Securities Price at 31 December (RM)	**20.66**	19.28	22.88	20.08	23.24
Net Dividend Yield (%)^	**4.6**	4.5	4.8	2.5	2.0

* *Computed based on total number of shares.*
\+ *Return on Shareholders' Fund was computed based on the Group's Profit for the Financial Year over the average Group's Shareholders' Fund.*
^ *Net dividend yield was computed based on the dividend paid out and declared during the year, divided by the share price at year-end.*

FIVE-YEAR DIVIDEND

	2024	2023	2022	2021	2020
Group's Net Profit (RM Million)	**337.1**	327.3	317.0	201.0	162.2
Dividend Amount Declared and Proposed for the Year (RM Million)	**305.7**	284.3	269.1	171.2	122.3
Dividend as % of Net Profit	**91%**	87%	85%	85%	75%
Dividend per Ordinary Share (Sen)	**100**	93	88	56	40

OVERVIEW OF NON-FINANCIAL PERFORMANCE

ZERO Carbon Footprint

ZERO Carbon Footprint

3% reduction in total brewery emissions *(2023: 3.3%)*

4,386 tCO_2e from natural gas and biogas *(2023: 4,354 tCO_2e)*

ZERO Packaging Waste

ZERO Packaging Waste

Commencement of 1664 Returnable Bottle Scheme

95% collection and recycling rate of returnable bottles in Peninsular Malaysia and Singapore

60% recycled content in bottles *(2023: 40%)*

58% recycled content in cans *(2023: 28%)*

ZERO Water Waste

ZERO Water Waste

2.9 hl water used per hl of beer produced *(2023: 3.3 hl/hl)*

12% reduction of total water usage in our brewery, equivalent to 22 Olympic-sized swimming pools

ZERO Irresponsible Drinking

ZERO Irresponsible Drinking

0 drink-driving incidents and accidents recorded

3 alcohol-free brews

100% of product labels with responsible drinking and age restriction symbols

260 distributor staff pledged to **#CELEBRATE**RESPONSIBLY

10,635 consumers reached on responsible drinking awareness *(2023: 7,490)*

ZERO Accidents Culture

ZERO Accidents Culture

1 lost time accident in our Malaysian operations on 30 October 2024

1,533 days free of lost time accidents in our Singaporean operations as of 31 December 2024

6,874 reports on safety risks and unsafe behaviours recorded in our Malaysia and Singapore operations *(2023: 3,954* reports)

ECONOMIC PRIORITIES

Contributed **RM1.2 billion** in excise duties and taxes to the economies of Malaysia and Singapore *(2023: RM1.2 billion)*

RESPONSIBLE SOURCING

13 Sedex + 17 SEDG Simplified ESG Disclosure Guide upstream suppliers committed to uphold environmentally and socially ethical sourcing in 2024

100% vendors screened with third-party screening tool

75% of procurement spend on local vendors *(2023: 69%)*

COMMUNITY ENGAGEMENT

Carlsberg Malaysia 南洋商報 中國報

RM19.5 million raised via Top Ten Charity Campaign for 12 beneficiaries in Malaysia *(2023: RM20.5 million)*

HUMAN RIGHTS

'Satisfactory' rating from Carlsberg Group Internal Audit on human and labour rights practices for employees and third-party brand promoters

FTSE4Good BURSA MALAYSIA

3.6/5 FTSE4Good Bursa Malaysia (F4GBM) Score, with improvement in the Company's percentile rank to 66 from 52

MSCI ESG RATINGS AA

CCC | B | BB | BBB | A | AA | AAA

"AA" rating since 2021
6.3/10 ESG score with improvement in corporate governance score for 2024's review

TOGETHER TOWARDS ZERO & BEYOND Carlsberg Malaysia

ECONOMIC CONTRIBUTION

Our impact on society goes far beyond delivering enjoyment to consumers. It extends to meaningful economic and community contributions.

We play a vital role in strengthening the economy by generating employment within our operations and the broader industry, while also making significant tax contributions.

8.1, 8.7 & 8.8

8 DECENT WORK AND ECONOMIC GROWTH

Our commitments in Malaysia and Singapore align with the United Nations Sustainable Development Goals (UN SDGs), particularly Goal 8, which promotes sustained, inclusive economic growth and the creation of productive, high-quality jobs.

In 2024, our operations contributed RM1.2 billion in excise duties and taxes to the economies of Malaysia and Singapore, while directly employing 826 individuals across these markets.

Beyond our direct economic impact, we supported local communities by sourcing from small and medium-sized enterprises and collaborating with music festival organisers and NGOs to enhance societal well-being.

Excise duties

RM1.0 billion

paid on our products brewed and sold in both Malaysia and Singapore

+7% in 2024 vs 2023

Corporate taxes

RM89.8 million

in the form of corporate taxes with RM81.7 million for Malaysia and RM8.1 million for Singapore

+0.4% in 2024 vs 2023

Indirect taxes

RM112.4 million

in SST and GST paid/collected on behalf of the Malaysia and Singapore governments

+6% in 2024 vs 2023

75%

of procurement spend on local vendors

+8.7% vs 2023

826 employees

(including permanent, contractors and temporary staff) as of 31 December 2024 (560 in Malaysia, 266 in Singapore)

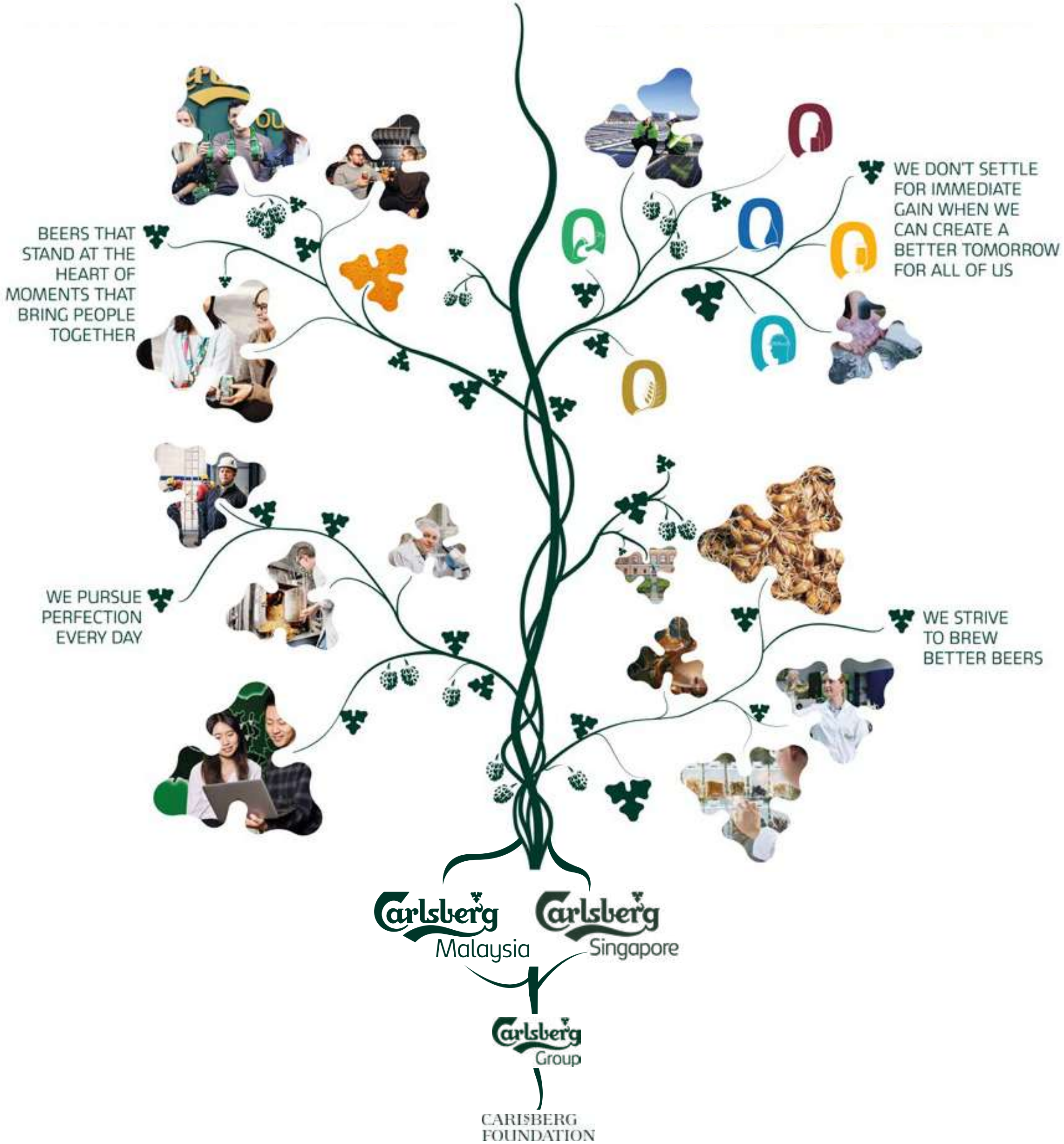
110,000

jobs supported, equivalent to 0.7% of national employment

(Source: Oxford Economics 2023)

OUR PURPOSE

BREWING FOR A BETTER TODAY AND TOMORROW



"We pursue perfection every day. We strive to brew better beers. Beers that stand at the heart of moments that bring people together. We do not settle for immediate gain when we can create a better tomorrow for all of us."

Our purpose is rooted in our heritage and in the mentality of our founders, who left a rich legacy that still greatly influences how we run our business today.

We live our purpose every day by focusing on our brands and the art of brewing. We excite our consumers with innovative and quality brews that strengthen our identity and pride as brewers and by continuously striving to do better. We are a highly engaged and diversified team that champions quality and innovation as we continue pursuing excellence and sustainability for better financial, environmental and societal performance.

The year 2024 marks the extension of Carlsberg Group's strategic direction through the launch of Accelerate SAIL strategy, built on the firm foundation of SAIL'27. This demonstrates our commitment to refining our focus on long-term growth drivers while remaining agile in an ever-changing business landscape. It also instils a growth-oriented mindset within our high-performance culture, driving premium innovations and operational efficiency.

To achieve our aspirations for top-and bottom-line expansion, Accelerate SAIL ensures we continuously incorporate prior experiences and future expectations, guiding the way forward for our brands, categories, markets and capabilities.

OUR BUSINESS MODEL

We optimise supply chains, back-office systems and processes

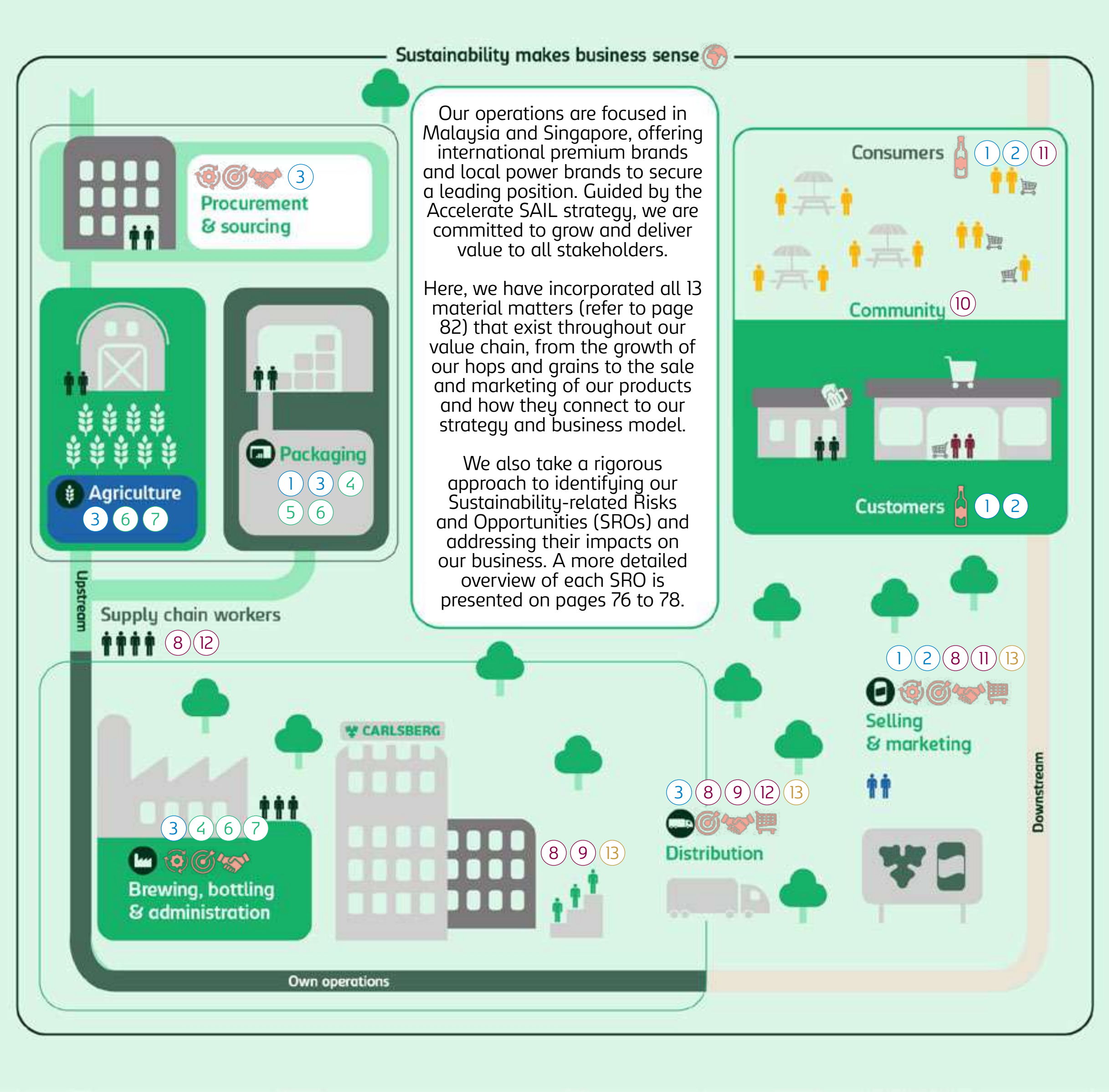
We focus on the markets where we hold the No. 1 or 2 position

We engage in partnerships when they add value to our local businesses

We optimise our route-to-market to cater for customer needs

We deliver attractive portfolios for all consumer occasions

Sustainability makes business sense



Sustainability-related Risks and Opportunities

Economic Priorities

1. Product Quality and Safety
2. Responsible Advertising and Marketing
3. Responsible Supply Chain Management and Responsible Sourcing

Environmental Stewardship

4. Water Use and Management
5. Sustainable Packaging and Materials
6. Energy, Carbon and Waste Management
7. Adapting to Climate Change

Social Commitments

8. Employee Safety, Health and Wellness
9. Diversity, Equity & Inclusion and Talent Development
10. Community, Social Impact and Investment
11. Preventing Harmful Use of Alcohol
12. Human Rights and Labour Standards

Governance

13. Anti-Bribery, Corruption and Competition

OUR OPERATIONS

Established in 1969, we are Carlsberg Brewery Malaysia Berhad (Carlsberg Malaysia Group / the Group), part of Carlsberg A/S (the Carlsberg Group), with a strong market presence across Asia and Europe.

We are a dynamic brewer with operations in Malaysia and Singapore, with a 25% stake in Lion Brewery (Ceylon) PLC in Sri Lanka. We also have a regional presence via exports and intercompany sales to regional markets such as Hong Kong, Cambodia and Laos.

Our company was incorporated in December 1969. Our brewery in Shah Alam was the first brewery to be built outside Copenhagen, Denmark, with the first locally brewed Carlsberg beer sold in 1972. Our product portfolio includes mainstream and premium beers, ciders, stout and alcohol-free brews. This combination of portfolio choices has been a crucial driver in our business growth and product innovation.

In 2024, the Carlsberg Malaysia Group posted a 3.0% year-on-year increase of net profit from RM327.3 million to RM337.1 million on the back of a revenue of RM2.4 billion. The performance of our respective operations and associate company is shown on the diagram on the right.

CARLSBERG MALAYSIA GROUP

	REVENUE (RM BILLION) +5.1%	NET PROFIT (RM MILLION) +3.0%	EARNINGS PER SHARE (SEN) +3.0%
'24	2.4	337.1	110.25
'23	2.3	327.3	107.03

Ownership
100% CARLSBERG MARKETING SDN. BHD.

	REVENUE (RM BILLION) +8.8%	PROFIT FROM OPERATIONS (RM MILLION) +12.4%
'24	1.8	350.3
'23	1.6	311.7

Ownership
100% CARLSBERG SINGAPORE PTE. LTD. **51% MAYBEV PTE. LTD.**

	REVENUE (RM MILLION) -4.1%	PROFIT FROM OPERATIONS (RM MILLION) -24.7%
'24	624.2	65.6
'23	650.9	87.1

Ownership
25% LION BREWERY (CEYLON) PLC

	SHARE OF PROFITS (RM MILLION) +51.9%
'24	35.6
'23	23.5

** Net profit refers to the Group's profit attributable to Owners of the Company.*
*** Profit from operations refers to the results of operating activities.*

BRAND PORTFOLIO

Our flagship brand, Carlsberg Danish Pilsner, is complemented by two innovative variants, Carlsberg Smooth Draught and Carlsberg Special Brew. Our range of premium and craft brews feature 1664, Sapporo, Somersby Cider, Connor's Stout Porter, Tuborg Strong, Brooklyn and Jing-A, while our value power brands include Royal Stout, SKOL and WuSu. For alcohol-free brews, we offer Carlsberg 0.0 Pilsner and Carlsberg 0.0 Wheat variants and Somersby Apple 0.0.

Our quality brews are at the heart of moments that bring people together.

#CELEBRATERESPONSIBLY

MAINSTREAM CORE BEER
+7%*

PREMIUM BEER
-7%*

ALCOHOL-FREE BREW
+17%*

*Volume (year-on-year)

Jing-A Day Day Up

WuSu 就是硬核

Tuborg Strong Open to More Since 1880

1664 BRUT Discover the New Side of Blue

1664 Good Taste with a Twist

Carlsberg 0.0 Wheat Enjoy Great Taste. Wherever. Whenever.

Carlsberg Smooth Draught Probably the Smoothest Beer in the World

Carlsberg Danish Pilsner Probably the Best Beer in the World

Sapporo Premium Beer The Iconic First Beer of Japan

Connor's Stout Porter Taste the Good Times

Somersby No. 1 Cider in Malaysia and Singapore

Somersby Apple 0.0 Refreshingly Non-Alcoholic

SKOL You've Earned It

Royal Stout King of Stouts

To learn more on Sustainability Statement, refer to pages 80-145.

Brought to life the first-ever Carlsberg Chinese New Year Bazaar in Klang Valley and Penang, with exciting pop-up stores and activities reaching out to more than 30,000 consumers.

Consumers participated in "Drumming Prosperity Together" to win attractive prizes like a Mahjong set and Touch 'n Go vouchers.

Brewing Prosperity Together with our consumers across all channels in Malaysia and Singapore.

Celebrated Hawker's Appreciation Day by heading down to our local hawker centres to show our support, bringing festive cheer to our Singaporean hawkers.

To learn more on Sustainability Statement, refer to pages 80-145.

Celebrated our local heroes Pandelela Rinong, Isaac Voo & Francisca Luhong as they shared the meaning of Sabah and Sarawak with them.

The Bornean Icons were showcased through Instagram AR filters and a Giant-Can setup in outlets, offering an immersive, larger-than-life experience.

Celebrated Harvest Festival with consumers via the first-ever Carls Harvest Pesta and engaged consumers through local event sponsorship like Rainforest World Music Festival.

Drove festive sales with a promotion offering a customised coaster gift set that forms a beautiful art piece when arranged together.

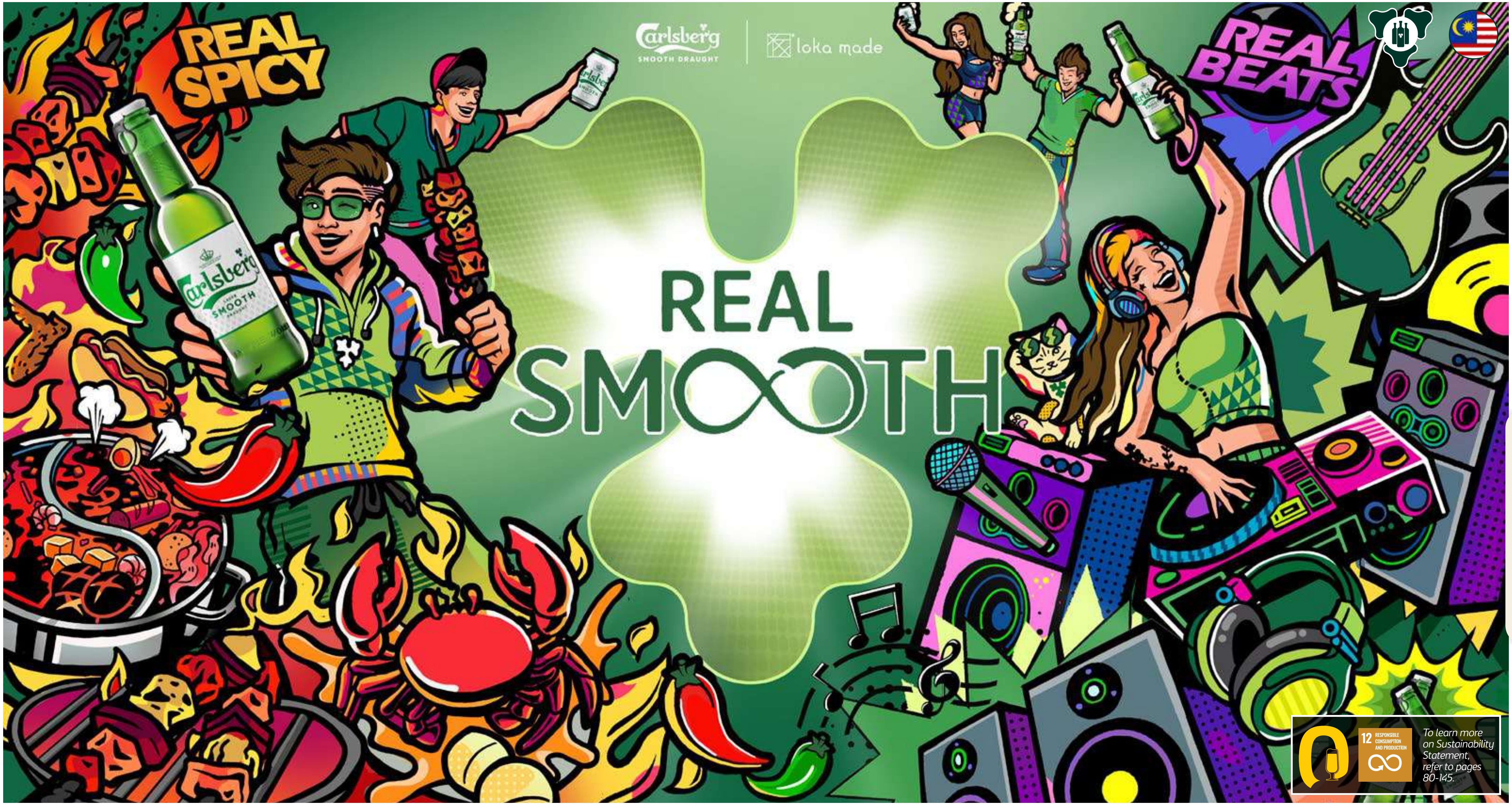
To learn more on Sustainability Statement, refer to pages 80-145.

Tapped into local streetwear fashion trends and collaborated with TNTCO to launch a football-inspired fashion collection, celebrating the football season in style.

Carlsberg League, a digital activation, rewarded our winners with an unforgettable experience at Anfield, the home of Liverpool FC.

Our loyal football consumers were rewarded with an exclusive meet-and-greet session with Liverpool FC Legends: Patrik Berger and Vladimír Šmicer.

Consumers enjoyed an exclusive, all-expenses-paid Football Staycation with their mates, featuring services such as a personal chef and chauffeur for the ultimate experience.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION
To learn more on Sustainability Statement, refer to pages 80-145.

Collaborated with Loka Made, a talented local creative brand, to showcase the 'World of Smooth' through vibrant and dynamic graphic illustrations, featured on a limited-edition collection of duffel bags, stylish sling bags, tote bags, chic tumblers and more.

Tapping into emerging trends and the likes of live houses and popular entertainment spots, 'The Smoothest POP' engaged consumers to enhance brand relevance.

More than 4,000 consumers enjoyed an immersive experience at the "World of Smooth" activation in the Zhongshan building, featuring Real Smooth beer, Real Spicy bites and electrifying Real Beats.

We brought our smoothest beer to the Real Spicy Trail, pairing it with curated culinary delights for an unforgettable flavour experience.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

To learn more on Sustainability Statement, refer to pages 80-145.

Collaborated with AGLXY to create limited-edition lifestyle merchandise such as shirts and socks. We also unveiled an exclusive sneakers drop with Amos Ananda.

17,000 consumers attended the Carlsberg Stadium for the Smoothest Header Challenge, where attendees could test their header skills against Ronaldo's 2.93m record to score freebies.

Partnered with STITCHES, to create repurposed pouches using recycled banners, which attendees could customise.

The Carlsberg Beach Club drew 20,000 attendees at Singapore's first Waterbomb 2024, serving ice-cold beers and driving 16,000 Carlsberg Smooth Draught trials over 3 million in social reach.

To learn more on Sustainability Statement, refer to pages 80-145.

Carlsberg Golf Classic (CGC) 2024 edition raised the bar with a spectacular RM2.7 million prize pool, new sponsors and a line-up of premium rewards.

Over 3,600 golfers from 32 participating clubs, celebrated unforgettable golfing moments as they compete for the championship at Kota Permai Golf & Country Club.

Malaysia's largest and longest-running amateur golf tournament – CGC continues to offer golfers the experience to enjoy their favourite brews in a social and fun competition on the greens.

CGC 2024 Gross Champion bagged a Garmin epix Pro smartwatch and a Garmin Approach Z82 laser range finder.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

To learn more on Sustainability Statement, refer to pages 80-145.

1664 expands its product family with the launch of 1664 Brut – crisp, golden premium lager beer, bringing a refreshing new choice for beer lovers in both Malaysia and Singapore.

Malaysia is the 1st country in South East Asia to launch 1664 Brut. For the first time, we had three consumer events at three locations across Malaysia.

Nearly 4,000 consumers attended the 1664 Brut Blue party at Orchard Road in Singapore, where consumers Discover the New Side of Blue.

Strong channel visibility in off-trade, complemented by large-scale 1664 Brut sampling in high-traffic areas across Singapore.

Collaboration with KOL- songwriter Gaston to release song "Raise Your Glasses" to inspire drinkers to toast to celebrations.

1664 made celebrations EXTRAordinary at the House of 1664 with over 100 influencers.

During the year-end festive season, 1664 took over Pavilion KL Connection street with impactful brand presence.

We have engaged with over 10,000 consumers, making celebrations truly EXTRAordinary.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

To learn more on Sustainability Statement, refer to pages 80-145.

Introduced Asia's first the limited-edition Somersby Pineapple & Lime cider in Malaysia, a unique tropical blend bursting with zest and a tangy flavour.

Three nationwide activations attracted over 6,700 consumers to experience this innovative flavour, which was met with great enthusiasm!

Somersby Singapore's Festive 12-can Pack, featuring its crisp Apple cider, added vibrant cheer to holiday celebrations and made the perfect gift.

Partnered with TinyPods in Singapore's first eco-friendly container hotel offering a wonderful summer garden getaway.

To learn more on Sustainability Statement, refer to pages 80-145.

Solidify Somersby 0.0's presence with the launch of the limited-edition Mandarin Orange 0.0 in Malaysia, perfect for Chinese New Year celebrations.

Collaborated with JYNNS to curate a meaningful Chinese New Year gift featuring both Somersby Mandarin Orange 0.0 and Apple 0.0.

Offered large-scale sampling at bazaars and selected shopping malls. Staying innovative, we curated a Somersby Apple 0.0-infused tea at the event.

Somersby Singapore partnered with PlayMade to create a series of handcrafted teas infused with Somersby Apple 0.0, featuring Apple Tea and Milk Tea, available at 30+ outlets island-wide.

CONNOR'S

STOUT PORTER

CONNOR'S × YOU

MAKERS OF GOOD TIMES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

To learn more on Sustainability Statement, refer to pages 80-145.

Connor's St. Patrick's Day celebrations took over many outlets across Malaysia and Singapore, creating an unforgettable experience for our consumers!

The 'Makers of Good Times' campaign made waves during the REXKL takeover, setting a Guinness World Records™ with 299 stout lovers simultaneously shaking drink cans. The event drew an impressive 4,669 consumers of crowd, making it a truly memorable one.

Connor's Singapore debuted at Beer Fest Asia 2024, collaborating with local illustrator Tobyato to bring our 'Makers of Good Times' concept to life through unique illustrations, showcased on exclusive lifestyle merchandise at the festival."

To celebrate being a Multi-Award-Winning Stout, Connor's launched activations offering experiences like the chance to win Bowers & Wilkins earphones. The celebration was highlighted by a consumer activation in collaboration with Chinatown Fest at REXKL.

To learn more on Sustainability Statement, refer to pages 80-145.

Launched in January 2024 in Malaysia and Singapore, Sapporo offers a perfectly balanced taste from the first sip to the last drop.

In Malaysia, Sapporo effectively engaged over 40,000 consumers through six activations nationwide, boosting brand equity, trial and fostering stronger customer connections.

In April 2024, Sapporo introduced a new bottle format, boosting total distribution across all pack sizes.

Carlsberg Singapore officially introduced Sapporo into its portfolio at the trade launch event, highlighting its premium Japanese heritage through immersive brand storytelling, consumer education and engaging experiences.

AWARDS AND RECOGNITIONS

Putra Brand Awards

Carlsberg celebrated an impressive achievement by securing the Platinum Award for the fourth consecutive year, marking its 15th consecutive win.

Somersby Cider proudly took home the Silver Award, being the only cider recognised in the category.

Putra Aria Brand Awards

1664 secured the Gold Award in the 2024 Putra Aria Brand Awards.

Connor's secured the Gold Award in the 2024 Putra Aria Brand Awards.

AWARDS AND RECOGNITIONS

Employee Experience Awards (ExA) 2024

In recognition of Carlsberg Malaysia's exceptional commitment to fostering growth, developing our people, promoting inclusivity, driving leadership excellence and supporting work-life balance while continuously innovating HR strategies, the company has won twelve awards. These include Gold for Best Soft Skills Training Programme, Best Succession Planning Strategy, Best Talent Mobility Programme and Best Campus Recruitment Strategy; Silver for Best Holistic Leadership Development Strategy, Best Employee Feedback and Listening Strategy, Best First-Time Manager Programme, Best Remote Learning Initiative and Best Capability Development Programme for the HR Team; and Bronze for Best Work-Life Harmony Strategy. Additionally, Stefano Clini received a Silver award, while Vivian Gun was recognised with a Bronze award for Most Inspiring Leader.

Most Inspiring Leader

AWARDS AND RECOGNITIONS

HR Asia Best Companies to Work for in Asia Awards 2024

For the third consecutive year, we have been recognised with this prestigious accolade, a testament to our unwavering commitment to purpose-driven HR practices, exceptional employee engagement and a thriving workplace culture — all validated by an independent employee engagement survey.

HR Asia Diversity, Equity & Inclusion Certificate of Achievement

This achievement reflects our dedication to creating a workplace where everyone feels valued, respected and empowered to thrive. This reaffirms our ongoing efforts to cultivate an inclusive culture that embraces diverse perspectives and fosters equal opportunities for all.

HR Asia Sustainable Workplace Certificate of Achievement

We were recognised for this achievement, which highlights our commitment to fostering an environmentally responsible workplace. This recognition underscores our dedication to sustainability and our efforts to implement eco-friendly practices throughout our operations.

AWARDS AND RECOGNITIONS

Graduates' Choice Awards (GCA) 2025
We maintained our winning streak, which began in 2020, securing the spot in the Liquor category for the fifth year in a row, as determined by over 500,000 university students nationwide.

The Edge Billion Ringgit Club (BRC) Awards 2024
For the fifth consecutive year, we took home the top spot in the 'Highest Return-on Equity' Award within the Consumer Products & Services category for our performance over 2019 – 2024.

UN Global Compact Network Malaysia & Brunei's (UNGCMYB) Forward Faster Sustainability Awards 2024
We were recognised for our efforts in aligning with the UN SDG Goal 17 – 'Partnership for the Goals' – in collaboration with Veolia on waste management and improving efficiency by using organic materials from our brewery for animal feed.

AWARDS AND RECOGNITIONS

FairPrice Partners Excellence Awards 2024

Preferred Business Partner of the Year Award

We are honoured to be the one and only winner of FairPrice Group's Preferred Business Partner of the Year Award 2024, marking our second consecutive win. A proud achievement with Singapore's leading retailer, serving over half a million shoppers.

Top Key Account Manager

Our Singaporean colleague was recognised as the Top Key Account Manager by FairPrice Group for two consecutive years, having also received the award in 2023.

Going Extra Mile Award (GEM Award)

We are proud to receive the FairPrice Group: Going the Extra Mile Award. This recognition reflects our strong partnership with FairPrice and our commitment to excellence, innovation, and delivering value to our partners and community.

DFI Best Key Account 2024

Our Singaporean operations has been awarded the DFI Best Key Account for two consecutive years (2023 and 2024).

Superbrands 2024

We have been awarded Superbrands Status as one of the most outstanding brands in our field. The 2024 'Singapore's Choice' award logo is by invitation only and confirms the brand's position, prestige and leadership in its category.

AWARDS AND RECOGNITIONS

7-Eleven Best Imported Beer Category

1664 Blanc awarded as one of the Most Favourite Imported Beer by 7-Eleven Singapore.

HR Excellence Award 2024

We have been honoured with the prestigious Gold Award for Excellence in Work-Life Harmony at the HR Excellence Awards. Our Work-Life Harmony initiatives empower our team members to strike a balance between personal and professional growth, driving business success.

The Marketing Events Awards 2024

We are proud to receive the Best Event Branding and the Best Event (More than 500 Attendees). At the same time, Connor's was awarded the Best Use of Social Media.

Best Use of Social Media - Connor's
Gold

Best Event (More than 500 Attendees)
Silver

Best Event Branding - Carlsberg
Silver

CHAIRMAN'S ADDRESS

Tan Sri Dato' Seri Chor Chee Heung

BREWING TRANSFORMATION FOR A BETTER TODAY AND TOMORROW

REVENUE

RM2.4 billion

2023: RM2.3 billion

NET PROFIT

RM337.1 million

2023: RM327.3 million

DIVIDEND PAYOUT RATIO

91%

2023: 87%

DEAR STAKEHOLDERS,

On behalf of the Board of Directors, I am honoured to present the Integrated Annual Report and audited financial statements of Carlsberg Brewery Malaysia Berhad (Carlsberg Malaysia Group) for the financial year ended 31 December 2024.

The year 2024 unfolded amid cautious optimism, with global growth projected at 3.1% as key markets showed resilience. However, high interest rates, public debt and geopolitical tensions continued to weigh on economic recovery.

Malaysia's economy expanded by 5.1%, driven by domestic demand, but tempered by inflationary pressures, a weaker ringgit and the Sales and Service Tax (SST) increase. Consumer sentiment remained fragile, with financial concerns shaping spending behaviour. In Singapore, Gross Domestic Product (GDP) grew by 4.4%, though rising costs from Goods and Services Tax hikes, rent and essentials constrained discretionary spending. The beer market softened in both markets, as affordability concerns and intensifying competition reshaped consumer choices.

Despite these challenges, we persevered and delivered another transformative chapter for the Carlsberg Malaysia Group as we strengthened our commitment to brewing excellence and sustainability. Guided by our theme for the year, 'Brewing Transformation for a Better Today and Tomorrow', we delivered on key strategic initiatives that reflected innovation, growth and sustainable leadership.

Consequently, we recorded higher revenue and net profit in 2024, a testament to our ability in growing our brands and our resilience in responding to market dynamics and competition as guided by our Accelerate SAIL strategy. In line with this commendable performance, we were able to deliver a higher year-on-year dividend payout to our shareholders.

Transforming Our Brewery for a Sustainable Future

In the past three years, we have invested RM200 million—the largest investment since our establishment in 1971—towards state-of-the-art upgrades at our brewery. By the end of 2022, a new bottling line was installed and in the middle of 2024, a new canning line and high-precision filtration systems were commissioned to improve production capacity, upgrade packaging capabilities and increase energy and water consumption efficiency. These upgrades will ultimately future proof our operations for growth, with innovation and sustainable brewing at the core.

This transformation is not merely an infrastructure upgrade and technology advancement; it embodies our commitment to operational excellence, environmental stewardship and workplace safety. By enhancing efficiencies in energy, water and waste management, we are resetting the baseline for carbon emissions at our production facilities and taking a step closer towards our goal of achieving carbon neutrality at our brewery by 2030.

Driving Premiumisation and Innovation

Aligned with our strategic lever of Portfolio Choices of *'Accelerate Premium Beer and AFB and Step Up in Beyond Beer'*, we continued to invest in premiumisation and variants innovation. The launches of two premium lagers—Sapporo and 1664 Brut in both Malaysia and Singapore—and the introduction of the limited-edition Somersby Pineapple & Lime cider in Malaysia and the limited-edition Somersby Mandarin Orange 0.0 alcohol-free brew in both Malaysia and Singapore received positive market response, reaffirming our position as an innovator in premium beer offerings and demonstrating our ability to respond to shifting consumer preferences. We are committed to continue driving the premium category by innovating drinking rituals and occasions for more discerning consumers.

Our flagship community programme, the Top Ten Charity Campaign, has raised over RM19.5 million education funds for 12 deserving beneficiaries.

Brewing a Sustainable Business Beyond Compliance

In the year under review, we continued to advance our commitment to sustainability through our Together towards ZERO and Beyond (TTZAB) ESG programme, which aligns with the Carlsberg Group's global net zero ambitions. Key milestones included intensified efforts towards decarbonisation, with significant progress in reducing our carbon emissions and improving resource efficiency.

Our brewery transformation has played a pivotal role in integrating energy-efficient technologies and reducing our environmental footprints. Proud to be championing ESG leadership, Carlsberg Malaysia joined the Green Transition Alliance by the Royal Embassy of Denmark in Malaysia, marking a strong commitment to driving sustainable practices in the manufacturing industry.

Our flagship community programme, the Top Ten Charity Campaign, themed 'Championing Education Today for a Greener Tomorrow,' has accumulated over RM19.5 million of educational funding for 12 beneficiaries. Proceeds raised not only support educational infrastructure and buildings, but also have an impact on climate action at schools, aligned with the UN Sustainable Development Goals (SDG 4: Quality Education and SDG 13: Climate Action).

Carlsberg Malaysia received the top accolade for the highest return-on-equity over three years, for the fifth consecutive year at The Edge Billion Ringgit Club Awards 2024, recognising our strong performance in the Consumer Products and Services category.

Upholding Governance and Integrity

We continued to uphold transparency, integrity and ethical business practices, reinforcing our commitment to fostering a culture of integrity and ethical conduct.

In 2024, our Speak Up campaign raised awareness among employees about the importance of reporting unethical behaviour. In addition, under the guidance of Group Compliance, we conducted an Enhanced Risk Assessment to assess our business risks in areas such as bribery and corruption, competition law, trade sanctions and data protection.

We also initiated a Personal Data Protection project in anticipation of the new amendments to the Personal Data Protection Act 2010 (PDPA), in preparation for our Malaysian and Singaporean operations to meet the international data protection framework and standards. By preparing ahead of the effective dates in 2025, we ensure compliance and the effective implementation of data governance practices.

I am pleased to announce that we will return to a fully physical Annual General Meeting (AGM) in May. I look forward to meaningful face-to-face engagements with our shareholders and sharing more about the Carlsberg Malaysia Group's progress.

Recognising Excellence

In 2024, we are honoured to have received several accolades that affirm our commitment to excellence and sustainability. At the 14th edition of The Edge Billion Ringgit Club Awards, we proudly secured the 'Highest Return-on-Equity' award for the fifth consecutive year, reflecting our ability to deliver consistent shareholder value.

We were also recognised at the UN Global Compact Network Malaysia & Brunei's Forward Faster Awards 2024 for 'Partnership for the Goals', celebrating our strong collaborations with suppliers to drive ESG progress. These achievements complement our ongoing pursuit of excellence in human resources, where multiple people-related awards underscore our emphasis on creating a supportive and inclusive workplace culture.

Our FTSE4Good Bursa Malaysia Index (F4GBM) score of 3.6 out of 5.0 and Morgan Stanley Capital International (MSCI) ESG ratings of 6.3 out of 10.0 further demonstrate our commitment to sustainability and continuous improvement in the depth and quality of our reporting disclosures.

Outlook

The global economic environment is expected to remain challenging, with inflationary pressures, geopolitical uncertainties and cautious consumer spending impacting businesses worldwide.

Malaysia's GDP is projected to grow between 4.5% and 5.5% in 2025, supported by domestic resilience, strategic policy initiatives and strong foreign investment as key growth drivers. Singapore's growth, though more modest between 1% to 3%, will be influenced by domestic cost pressures and global geopolitical uncertainties.

The Malaysian government's targeted approach to subsidy rationalisation and the expansion of the SST to non-essential goods and premium products will influence consumer discretionary spending. However, this is balanced by targeted subsidies and higher minimum wage, which are likely to boost purchasing power for the B40 group and support broader consumer demand.

We concur with the Malaysian and Singaporean governments' decision not to increase excise duties for the beer industry in 2025. We also remain deeply committed to working with regulators to uphold the relevant regulations related to our industry and reduce the prevalence of illicit beer which continues to impact our businesses.

As we look ahead to 2025, we remain guided by our ambition to be the most **successful, professional and attractive** brewer in our markets. This ambition shapes every aspect of our strategy, from delivering a sustainable balance between top-line growth and profitability to fostering a high-performance culture among our employees and creating value for our stakeholders.

We will remain focused on the execution of our Accelerate SAIL strategy, which emphasises portfolio choices, execution excellence, funding our journey and our winning culture with ESG integration. Key priorities include expanding the reach of our premium portfolio, continuing our brewery transformation initiatives, rolling out enterprise digitalisation and accelerating decarbonisation initiatives for growth.

Celebrating the milestones of our brewery transformation with (from left) our Managing Director Stefano Clini, Deputy Minister of Investment, Trade and Industry (MITI) YB Liew Chin Tong and Ambassador of Denmark to Malaysia H.E. Kirstine Berner.

Acknowledgements

As Chairman of the Carlsberg Malaysia Group, on behalf of the Board of Directors, I extend my heartfelt gratitude to all stakeholders—our customers, shareholders, suppliers, distributors, trade partners and employees—whose unwavering trust and dedication have propelled us through another transformative year. Your support has been instrumental in our journey of 'Brewing Transformation for a Better Today and Tomorrow'.

We wish to warmly welcome the Ambassador of Denmark to Malaysia, Her Excellency Kirstine Berner, and congratulate Her Excellency and her team on the reopening of the Royal Embassy of Denmark in Malaysia. We look forward to stronger collaborations in advocating and promoting Team Denmark's green initiatives through our involvement in the Green Transition Alliance by the Embassy.

On behalf of the Board of Directors, I also extend our gratitude to our Managing Director, Stefano Clini and the Management Team for their exceptional leadership for delivering a satisfactory financial and non-financial performance while driving our brewery transformation journey.

Together, as we embark on a new year, I am confident that our resilience, innovation and commitment to sustainability will continue to create value for all stakeholders.

TAN SRI DATO' SERI CHOR CHEE HEUNG
Chairman
Shah Alam
17 March 2025

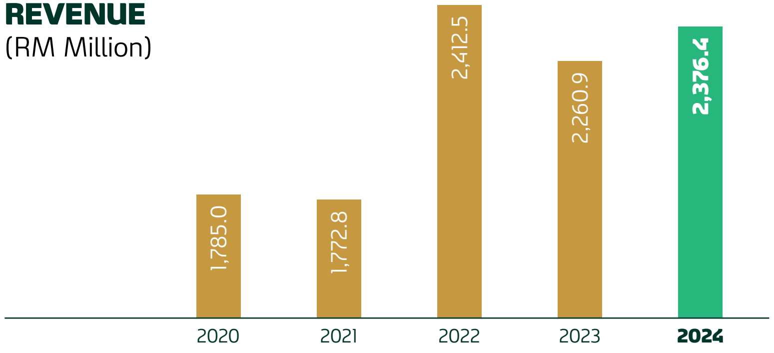
Q&A WITH OUR MANAGING DIRECTOR

"Anchored by two key priorities — our ongoing Brewery Transformation and a sharpened focus on Premiumisation and Innovation — we are proud to have delivered higher top-line and record bottom-line performance for the 2024 financial year."

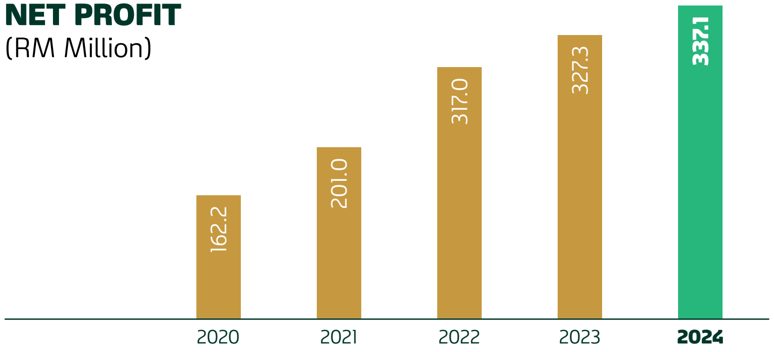
Stefano Clini

Key Performance Highlights

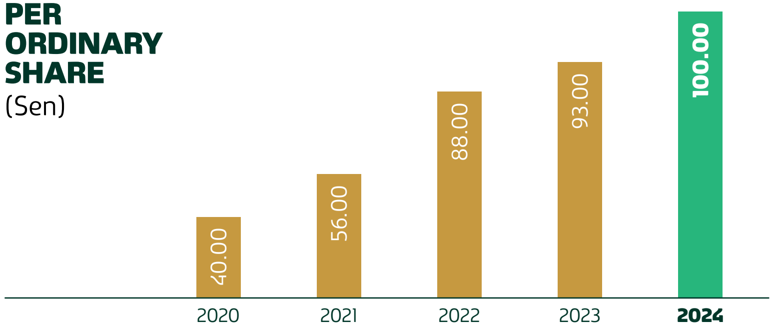
REVENUE
(RM Million)



NET PROFIT
(RM Million)



DIVIDEND PER ORDINARY SHARE
(Sen)



Q Can you provide an overview of Carlsberg Brewery Malaysia Berhad's (Carlsberg Malaysia Group) highlights and performance in 2024?

For us, 2024 was a transformative year, marked by resilience in the face of changing market dynamics and strategic progress in line with our new corporate strategy, Accelerate SAIL. Anchored by two key priorities — our ongoing **Brewery Transformation** and a sharpened focus on **Premiumisation and Innovation** — we are proud to have delivered higher top-line and record bottom-line performance for the 2024 financial year.

I am pleased to report that the Carlsberg Malaysia Group's net profit grew by 3.0% to RM337.1 million from RM327.3 million on the back of higher revenue, which increased 5.1% year-on-year to RM2.4 billion from RM2.3 billion in 2023. This satisfactory performance enabled us to deliver a dividend of RM1.00 per share to our shareholders, the highest in five years.

Our solid result was mainly driven by the favourable timing of the Chinese New Year (CNY) celebration across 2024 and 2025, coupled with disciplined execution and increased marketing investments. Despite the challenges we faced such as rising costs of living, subdued consumer sentiment and the transition from the Asahi brand to the Sapporo brand in 2024, we remained steadfast in driving our premiumisation portfolios. The launch of Sapporo and 1664 Brut in both our Malaysian and Singaporean markets was a testament to this.

In Malaysia, we celebrated the culmination of our largest-ever infrastructure investment, future-proofing our business for greater production agility and efficiency. The RM200 million brewery transformation was fully realised in September 2024 with the commissioning of our state-of-the-art bottling and canning lines alongside a high-precision filtration system, all performing at optimal levels. In terms of financial performance, our Malaysian operations reported a higher revenue at RM1.8 billion, an increase of 8.8%, and higher profit from operations by 12.4% to RM350.3 million year-on-year. This resulted from a price increase which took effect in April 2024 and the favourable timing of the CNY celebrations.

In Singapore, we were agile in acquiring the rights to distribute the Sapporo brand in on-trade and rapidly executing the sell-in of the brand to new and existing outlets, following the end of our partnership with Asahi in December 2023. While the transition impacted our financial metrics, we managed to mitigate it by increasing and expanding the distribution of Sapporo to additional modern and traditional on-trade outlets. Accordingly, our Singaporean operations reported a 4.1% decline in revenue to RM624.2 million and a 24.7% decrease in profit from operations to RM65.6 million, as we responded to steep discounting by competitors and saw lower premium sales from the mentioned brand transition.

In addition to this, the Carlsberg Malaysia Group's net profit were also supported by a 51.9% increase in the share of profit from our Sri Lankan-based associate company, Lion Brewery (Ceylon) PLC, which stood at RM35.6 million in 2024 against RM23.5 million in 2023. This improvement was driven by better performance and a favourable Sri Lankan rupee exchange rate.

Read the overview of the Company's financial performance on pages 4 and 5.

Q What were the key market trends and challenges in 2024?

The economic environment in 2024 presented a mix of opportunities and challenges across both our operations in Malaysia and Singapore. Elevated domestic inflation resulted in a weaker ringgit and the Goods and Services Tax hike in Singapore impacted discretionary spending on food and beverages. Intense competition in the beer market, higher logistics costs and the removal of the diesel subsidy in Malaysia further heightened pressure on margins. Despite these headwinds, we demonstrated resilience and adaptability through our Accelerate SAIL strategy as guided by the 'Funding Our Journey' growth lever.

In Malaysia, key market dynamics were shaped by inflationary pressures, higher electricity prices and the broader impacts of the Sales and Service Tax. These factors resulted in tighter household budgets, making affordability a critical consideration for consumers. The competitive landscape remained aggressive, necessitating a disciplined approach to protect our margins and maintaining the quality of our products and services.

In Singapore, the market was characterised by intense competition and rising costs of doing business, including rental and manpower expenses, alongside price competition across channels. In addition, we also faced challenges from parallel imports and restaurant closures, which reached their highest levels in four years.

Read more about our views on the beer market landscape and business outlook for 2025 on pages 69 and 70.

Q&A WITH OUR MANAGING DIRECTOR

Q How was the transition to the Accelerate SAIL strategy in 2024 and what does this refreshed strategy aim to achieve?

The Accelerate SAIL strategy was launched to deliver our ambitions of growing revenue organically by 4% to 6% and to grow operating profit ahead of that. Building on the strong foundation laid by SAIL'27, this refreshed strategy reflects our commitment to sharpening our focus on long-term growth drivers while adapting to the rapidly changing operating environment.

To deliver on our Accelerate SAIL ambition, we set clear priorities on premiumisation, supply chain efficiency and cost discipline while delivering our decarbonisation strategy. The transition was smooth, underpinned by a shared understanding across the organisation of its importance to our growth ambitions. An important element of Accelerate SAIL was the launch of a structured human capital framework called the Growth Culture Principles, which was operationalised through five principles to drive leadership change management and embedded into a new performance management system.

In Malaysia, the Accelerate SAIL strategy catalysed our largest brewery transformation investment to date. The upgrades in our Shah Alam production facility not only enhanced capacity and efficiency but also aligned with our decarbonisation goals by reducing the usage of energy and water. This transformation exemplifies how Accelerate SAIL integrates growth with sustainability and efficiency.

In Singapore, Accelerate SAIL guided our swift response to the transition from the Asahi brand to the Sapporo brand. By leveraging our strategic partnership with Sapporo and reinvesting savings into other premium brands like Connor's and 1664, we safeguarded our market position in the premium beer segment, while continuing to grow our mainstream core beer segment. Guided by the *'Excel in Sales, Marketing and Innovation'* growth priorities, we were agile to adapt pricing and promotional strategies amidst rising costs and intense competition.

See page 48 on Management Discussion and Analysis for the four growth levers of Accelerate SAIL and pages 49 to 68 for the highlights of respective growth priorities.

Q How did the 'Portfolio Choices' growth lever accelerate premium beer in 2024?

The **'Portfolio Choices'** growth lever aims at driving premiumisation through innovation, enabling us to cater to shifting consumer preferences and strengthen our brand equity across all consumer demographics and drinking occasions. Premiumisation in 2024 was led by the successful launches of Sapporo, 1664 Brut and the limited-edition Somersby Pineapple & Lime cider.

Our premium portfolio saw the rapid transition to the Sapporo brand from Asahi in all our Malaysian on- and off-trade outlets and a majority of Singapore's on-trade outlets within weeks. Additionally, sales of Sapporo in 2024 in Malaysia had already surpassed that of Asahi in 2023.

The ASEAN-first debut of 1664 Brut in Malaysia and Singapore added a differentiated offering of a crisp, golden lager to the premium beer segment. Alcohol-free brews, such as Somersby 0.0 in Apple and Mandarin Orange variants, continued to strengthen our category leadership.

For a review on 'Strengthen Mainstream Core Beer' and 'Step Up in Beyond Beer', please refer to pages 54-57 on Management Discussion and Analysis for Accelerate SAIL - 'Portfolio Choices'.

1664 Brut made its ASEAN debut in Malaysia and Singapore, bringing a distinct, crisp golden lager to the premium beer segment.

Q How did the 'Execution Excellence' growth lever enhance operations?

The **'Execution Excellence'** growth lever aims at navigating ever-changing consumer consumption trends and market dynamics through sales, marketing and innovation while driving digital transformation and effective end-to-end management of the supply chain.

Operationally, the brewery transformation in Malaysia replaced ageing assets, enhanced capacity and improved sustainability. We invested RM200 million to upgrade our bottling and canning lines, operating alongside a high-precision filtration system. In addition, we also expanded our external warehouses to optimise logistic costs and inventory flexibility.

Digital transformation also played a key role, with image recognition technology ensuring SKU availability and consistent product visibility and improving trade execution. Meanwhile, our e-commerce strategies led to strong sales during key promotional campaigns, with the Carlsberg flagship e-store ranking among the top brands on platforms like Lazada and Shopee in both Malaysia and Singapore.

For more insights, please refer to pages 58-61 on Management Discussion and Analysis for Accelerate SAIL - 'Execution Excellence'.

Q How did the 'Funding Our Journey' growth lever contribute to long-term value creation?

The growth priorities of '**Funding Our Journey**' are aimed at providing financial headroom for increased commercial investments to capture growth opportunities for our brands and markets. Being well embedded in our business since 2015, we remain committed to 'Funding Our Journey', taking the lever to the next level with procurement efficiency, value management and operational cost optimisation.

Cost optimisation efforts included leveraging our regional and global procurement strategies to streamline sourcing processes. Multi-country tenders and close collaboration with key suppliers enhanced pricing competitiveness, improved supply quality and diversified the supplier base, reducing risks while driving further savings.

The brewery transformation project also unlocked substantial operational efficiencies. Bottling and canning line upgrades increased capacity by 40% and 33% respectively, while the advanced filtration systems increased output by 70%.

In addition, strong financial discipline allowed us to internally fund major investments without increasing our external financing. This enabled reinvestment in premium brands' marketing, operational enhancements and supply chain improvements, ensuring long-term value creation for stakeholders.

For more information, please refer to pages 62 & 63 on Management Discussion and Analysis for Accelerate SAIL - 'Funding Our Journey'.

Q What were the key highlights of the 'Winning Culture' growth lever?

To successfully deliver on our Accelerate SAIL growth priorities, we evolved to adopt growth culture leadership and empower our operations in Malaysia and Singapore to transform our Growth Culture Principles (GCP) into tangible behaviours, ways of working and performance management system.

Our '**Winning Culture**' is built on our ambition to grow our people, our GCP and our contribution to society at large.

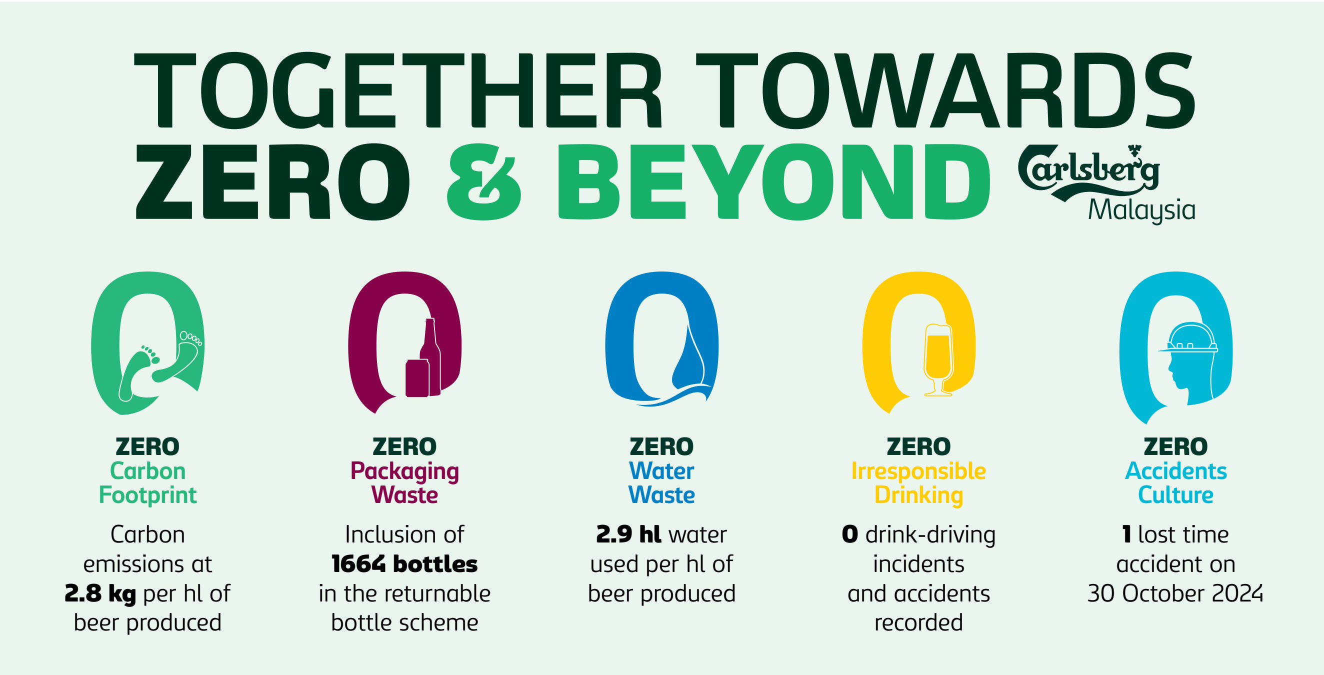
To ensure sustained employee engagement and to foster a high-performing, inclusive and supportive culture, we implemented the Carlsberg Well-being Cycle, which focuses on workplace, emotional, physical and financial well-being. We also launched the CERRA Recognition Programme to recognise contributions at all levels and celebrate outstanding individual and team achievements that align with GCP behaviours.

Furthermore, we successfully concluded negotiations for the 2025–2027 Collective Agreement with the Union of Beverage Industry Workers. As a result, our brewery workers will now enjoy improved allowances, flexible benefits, higher accommodation rates for business travel, enhanced medical coverage for critical illnesses and increased life insurance coverage.

In addition, we re-trained our people on our Code of Ethics during our second annual Compliance Day, ensuring all employees act ethically and make the right choices when working, as integrity underpins our business success and reputation.

For more details, please refer to pages 64 & 65 on Management Discussion and Analysis for Accelerate SAIL - 'Winning Culture'.

Q What were the key highlights under the Together towards ZERO and Beyond ESG programme, especially the progress of the decarbonisation strategy?



Our environmental, social and governance (ESG) programme, Together towards ZERO and Beyond (TTZAB), is integral to Accelerate SAIL, focusing on the 13 key material ESG issues that impact our licence to operate in Malaysia and Singapore.

In decarbonising our operations and value chain, we acknowledge that we cannot achieve this alone. We must collaborate with our suppliers, customers, consumers and communities.

We have made significant strides in 2024 by enhancing our decarbonisation strategy and improving reporting disclosures related to our climate-related impacts, risks and opportunities. Following the launch of the National Sustainability Reporting Framework in September 2024, we have embarked on the transition from Taskforce for Climate-Related Financial Disclosures framework to the International Financial Reporting Standards (IFRS) S2. With the assistance of an external consultant, we are aiming to enhance our disclosures on climate-related financial risks and opportunities.

Our commitment to ZERO Packaging Waste saw notable progress with the expansion of the returnable bottle scheme in Peninsular Malaysia to include 1664 bottles. In Singapore, preparations to meet the government's 2026 Beverage Container Return Scheme are underway, reinforcing our commitment to sustainable packaging.

In line with the goal of ZERO Accidents Culture, we achieved over 80,000 man-hours without any lost time accidents (LTA) during the brewery transformation project in Malaysia. Unfortunately, one LTA was recorded in October. Meanwhile, we are pleased to report 1,533 LTA-free days in our Singapore operations as of 31 December 2024.

For ZERO Irresponsible Drinking, we extended our **#CELEBRATE**RESPONSIBLY campaign to raise awareness of the importance of responsible sales and drinking to 260 employees from our distributors' sales force in Malaysia. We also reached 10,635 consumers through partnerships with Grab as well as festival and music organisers. These initiatives promoted safe drinking habits, including discounted ride-hailing services and responsible consumption messaging.

Our inaugural Supplier Day held in Malaysia, aimed at implementing our responsible sourcing guidelines, successfully onboarded 64 suppliers. Several upstream suppliers signed up as members of Sedex and for the Securities Commission's Capital Markets Malaysia's Simplified ESG Disclosure Guide. This marked a significant step in aligning our suppliers to focus on human rights compliance and environmental stewardship.

Q What is the outlook for 2025 and what are the key growth levers to navigate anticipated challenges while sustaining growth?

As we enter 2025, we are preparing to navigate a challenging macroeconomic environment marked by continued inflationary pressures, high interest rates and cautious consumer sentiment. We expect to be impacted by the change in the timing of the CNY festivities. For context, in 2024, we experienced gains from early Chinese New Year festivities in 2025, as some demand was pulled forward into December 2024 ahead of the early 2025 celebration. In contrast, 2025 will see an adverse impact due to timing, with minimal uplift expected in December, as the next Chinese New Year falls only in mid-February 2026.

Additionally, the anticipated removal of fuel subsidies in Malaysia in mid-2025 could lead to further cost inflation, putting additional pressure on household budgets and potentially dampening consumer demand. In Singapore, intense competition across channels is likely to persist, requiring disciplined execution and strategic agility.

To address these challenges, we will continue to prioritise 'Funding Our Journey' initiatives through reinvestments of efficiency in premiumisation, innovation and digital transformation.

By staying true to our Accelerate SAIL framework and focusing on strategic priorities, we are confident to deliver sustainable value for stakeholders in the coming year.

Carlsberg Group CEO, Jacob Aarup-Andersen's visit to Carlsberg Malaysia left a heartfelt and lasting impact, igniting the Sempen Ardens spirit within us. His inspiring exchanges touched our hearts and minds, fueling a renewed passion for growth and drive to lead with purpose.

Q Do you have any concluding remarks or acknowledgements?

As 2024 concludes, I would like to express my sincere gratitude to our Chairman for his exemplary leadership and to the members of the Board of Directors for their wisdom and guidance in helping us steer the business to brew for a better today and tomorrow.

To the management team and all our employees, thank you for your unwavering focus on our Accelerate SAIL strategy and your dedication to navigating the challenges of the past year.

In addition, we are pleased to have hosted the Carlsberg Group CEO, Jacob Aarup-Andersen during his maiden visits to our Malaysian and Singaporean operations in February 2025. Collectively, we were left deeply inspired following the time he spent with us and we are positively assured that his visionary leadership will enable us to deliver our growth ambitions.

I would also like to acknowledge the vital support of our stakeholders — government agencies, consumers, customers, distributors, suppliers and the Royal Embassy of Denmark — whose collaboration has been integral to our ongoing growth and success.

Finally, to our shareholders, thank you for your continued confidence and trust. Your belief in our vision inspires us to remain committed to delivering sustainable growth and creating long-term value.

STEFANO CLINI
Managing Director
Shah Alam
17 March 2025

BOARD OF DIRECTORS

TAN SRI DATO' SERI CHOR CHEE HEUNG

Independent Non-Executive Chairman

Age 70

Date of Appointment
1 June 2022

Date of Last Re-Election
19 April 2023

Length of Service
2 years 9 months
(as at 28 March 2025)

Academic / Professional Qualification(s)
- Master of Arts in Business Law, London Metropolitan University, United Kingdom
- Barrister-at-Law of the Honourable Society of Lincoln's Inn, London

Work Experience and Present Directorship(s)
Tan Sri Dato' Seri Chor Chee Heung was a Member of Parliament from 1990 to 2013 and served as Deputy Minister of Home Affairs, Deputy Finance Minister and Minister of Housing and Local Government. During the tenure of his time in parliament, he had held the Chairmanship of Commonwealth Parliamentary Association, Malaysian Parliament and is a permanent member of the ASEAN Inter Parliamentary Organisation. Tan Sri Dato' Seri Chor is currently a board member of University Tunku Abdul Rahman.

He also served as the Commissioner of the Malaysian Aviation Commission (MAVCOM) from 2015 to 2017 and was a board member of Tenaga Nasional Berhad from 2015 to 2018. Tan Sri Dato' Seri Chor was also the Independent and Non-Executive Chairman of Star Media Group Berhad until his retirement in May 2024.

STEFANO CLINI

Managing Director

- ***Member of Risk Management and Sustainability Committee***

Age 58

Date of Appointment
26 October 2019

Date of Last Re-Election
19 April 2023

Length of Service
5 years 5 months
(as at 28 March 2025)

Academic / Professional Qualification(s)

- Bachelor of Business and Economics, Libera Università Internazionale degli Studi Sociali Guido Carli (LUISS), Italy

Work Experience and Present Directorship(s)

Mr Stefano Clini is responsible for Carlsberg's Southeast Asia subregion, comprising Malaysia and Singapore, and oversees the Group's investment in Sri Lanka.

Prior to his current appointment, Mr Clini was Managing Director of Carlsberg Vietnam Breweries Limited from 2017 to 2019, where he led a successful turnaround with record growth in both top and bottom lines. He was previously Managing Director of British American Tobacco (Malaysia) Berhad from 2013 to 2016, overseeing operations in Malaysia and Singapore.

He has 30 years of experience in the global consumer goods industry and has held various senior leadership and commercial roles within H. J. Heinz in Italy from 2005 to 2013 and Procter and Gamble (P&G) in Italy, Belgium, Switzerland and Turkey from 1990 to 2005.

ERIC OOI LIP AUN

Independent Non-Executive Director

- ***Chairman of Audit Committee***
- ***Chairman of Risk Management and Sustainability Committee***
- ***Member of Nomination and Remuneration Committee***

Age 67

Date of Appointment
1 May 2023

Date of Last Re-Election
24 April 2024

Length of Service
1 year 10 months
(as at 28 March 2025)

Academic / Professional Qualification(s)

- Member of the Malaysian Institute of Accountants
- Member of the Malaysian Institute of Certified Public Accountants

Work Experience and Present Directorship(s)

Mr Eric Ooi was a partner of PricewaterhouseCoopers (PwC), Malaysia until his retirement in June 2015. He joined the firm of Price Waterhouse (now known as PricewaterhouseCoopers) in 1977. He assumed management and leadership positions for different parts of PwC within Malaysia, across Asia and globally.

Beyond audit engagements, Mr Ooi also worked on public listings, several engagements under the direction of Bank Negara Malaysia and was seconded to manage a timber plantation and pulp and paper manufacturing company for two years during its privatisation from a State Government in East Malaysia.

Mr Ooi currently sits on the boards of British American Tobacco (Malaysia) Berhad, UTAR Hospital and FI Life Sdn. Bhd., and also on the Audit Committee of UTAR.

BOARD OF DIRECTORS

DATUK LEE OI KUAN

Independent Non-Executive Director

- *Chairperson of Nomination and Remuneration Committee*
- *Member of Risk Management and Sustainability Committee*
- *Member of Audit Committee*

Age 66

Date of Appointment
28 February 2022

Date of Last Re-Election
24 April 2024

Length of Service
3 years 1 month
(as at 28 March 2025)

Academic / Professional Qualification(s)

- Bachelor of Laws, University of Malaya

Work Experience and Present Directorship(s)

Datuk Lee Oi Kuan served in the Attorney-General's Chambers of Malaysia in the Prosecution, Advisory and International Law Division from 1983 to 1993. Thereafter, she worked at Hong Leong Industries Berhad and Malaysian Pacific Industries as Head of Legal and Company Secretary from 1993 to 2001.

In 2001, Datuk Lee joined British American Tobacco (Malaysia) Berhad and served as its Legal and External Affairs Director until her retirement in 2018. Datuk Lee is currently a Non-Independent and Non-Executive Director at British American Tobacco (Malaysia) Berhad.

JOÃO MIGUEL VENTURA REGO ABECASIS

Non-Independent Non-Executive Director

Age 53

Date of Appointment
1 October 2022

Date of Last Re-Election
19 April 2023

Length of Service
2 years 5 months
(as at 28 March 2025)

Academic / Professional Qualification(s)

- Bachelor of Business Management, Universidade Católica Portuguesa, Portugal

Work Experience and Present Directorship(s)

Mr João Abecasis has over 25 years of experience in FMCG, having been with Unilever since 1995 in various positions. He joined Carlsberg Group in 2011 and has held several managerial positions in various markets, including Chief Commercial Officer and later as CEO of Super Bock Portugal, VP Challenger Markets in the Western Europe region, (interim) Managing Director of Carlsberg Denmark and Managing Director of Kronenbourg, France.

Since 2019, Mr Abecasis has served on the Carlsberg Group Executive Committee and was appointed as Executive Vice President, Asia of Carlsberg Group effective 1 September 2022.

GAVIN STUART BROCKETT

Non-Independent Non-Executive Director

- *Member of Audit Committee*

Age 63

Date of Appointment
17 February 2022

Date of Last Re-Election
24 April 2024

Length of Service
3 years 1 month
(as at 28 March 2025)

Academic / Professional Qualification(s)
- Bachelor of Accounting, University of Witwatersrand, South Africa
- Bachelor of Commerce, University of Witwatersrand, South Africa
- Member of the South African Institute of Chartered Accountants
- Member of the Chartered Accountants Australia and New Zealand

Work Experience and Present Directorship(s)
Mr Gavin Brockett has many years of experience in the consumer beverage industry, having been initially employed by SABMiller PLC in South Africa in 1991 and thereafter by the SABMiller subsidiaries in the Czech Republic and Italy. He has also held various leadership positions in the Carlsberg Group between 2010 and 2013, and again from 2014 to 2016. Thereafter, he joined Levi Strauss & Co. as Senior Vice President and Global Controller.

Mr Brockett was appointed as Vice President Finance, Asia of Carlsberg Breweries A/S with effect from 1 January 2022.

CHAN PO KEI KAY

Non-Independent Non-Executive Director

- *Member of Nomination and Remuneration Committee*

Age 59

Date of Appointment
16 December 2020

Date of Last Re-Election
19 April 2023

Length of Service
4 years 3 months
(as at 28 March 2025)

Academic / Professional Qualification(s)
- Masters in Training and Human Resource Management, University of Leicester, United Kingdom
- Bachelor of Business Administration, The Chinese University of Hong Kong, Hong Kong
- Diploma in Training Management, The Chinese University of Hong Kong, Hong Kong / Institute of Training and Development, United Kingdom

Work Experience and Present Directorship(s)
Ms Chan Po Kei Kay is a seasoned human resource practitioner with over 28 years of experience in Hong Kong and China. She is currently Vice President Human Resource, Asia of Carlsberg, leading the HR function of Carlsberg in Asia.

Prior to joining Carlsberg, Ms Chan was the VP HR Asia Pacific of Vertiv Asia Pacific for over 10 years, and before that, held country and regional HR coverage roles in other multinationals.

MANAGEMENT TEAM

At the heart of our journey is a steadfast commitment to Brewing Transformation for a Better Today and Tomorrow. Guided by our Growth Culture Principles (GCP), we embrace bold ambition, innovation and sustainability to propel us forward. With a Semper Ardens spirit, we challenge conventions, foster collaboration and compassion and keep consumers at the core of everything we do. As we continue this transformation, every brew is a testament to our pursuit of excellence, ensuring a future that is not only stronger, but also more sustainable for generations to come.

STEFANO CLINI

Managing Director

Date of Appointment
26 October 2019

Age 58

"Transformation only happens when we create a truly inclusive, psychologically safe environment, where everybody wakes up happy to come to work every morning and shows up in the office as the best versions of themselves."

Academic/Professional Qualification(s)

- Bachelor of Business and Economics, Libera Università Internazionale degli Studi Sociali Guido Carli (LUISS), Italy

Main Responsibilities and Work Experience

Mr Clini has overall responsibility for Carlsberg Malaysia Group, covering our operations in Malaysia and Singapore and overseeing the Group'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 the Managing Director of British American Tobacco Malaysia from 2013 to 2016.

He has more than 30 years of experience in the global consumer goods industry with leadership and commercial roles in Italy, Belgium, Switzerland and Türkiye.

VIVIAN GUN LING LING

Chief Financial Officer

Date of Appointment
19 October 2020

Age 48

"Brewing transformation is not just about our products — it embodies our actions and our people. We also create sustainable value for our shareholders while transforming the way we serve and grow. Guided by the growth mindset of 'Better today than yesterday, better tomorrow than today', we are committed to prioritising our stakeholders today, tomorrow and in the future."

Academic/Professional Qualification(s)

- Member of CPA Australia; member of the Malaysian Institute of Accountants (MIA); past member of the Chartered Institute of Management Accounting (CIMA)
- Bachelor of Commerce and Administration (Accounting) (Hons), Victoria University of Wellington, New Zealand
- Bachelor of Commerce and Management, Lincoln University, New Zealand, in collaboration with Universiti Tenaga Nasional

Main Responsibilities and Work Experience

Ms Gun is responsible for finance and investor relations, and IT functions.

She joined the Carlsberg Group in 2018 as Chief Financial Officer at Myanmar Carlsberg Co. Ltd.

Prior to joining Carlsberg, she held senior finance roles with established Malaysian corporations, including GlaxoSmithKline, British American Tobacco, BMW and KPMG. Ms Gun has worked in Malaysia and other Southeast Asian countries, including Myanmar and Vietnam.

KOH POI SAN

Legal and Compliance Director and Company Secretary

Date of Appointment
19 February 2020

Age 49

"Our brewery transformation journey over the past few years has been revolutionary and it has equipped the Company and our teams with the right capabilities and increased capacities to be even more innovative and brimming with possibilities."

Academic/Professional Qualification(s)

- Member of the International Compliance Association (ICA), Australian Compliance Institute (ACI), Governance Institute of Australia (GIA) and the Australian Institute of Company Directors (AICD)
- Licenced Secretary under Section 20G of the Companies Commission of Malaysia Act 2001
- Certificate in Legal Practice
- Bachelor of Laws (Hons), University of London, United Kingdom
- Diploma in Investment Analysis, Research Institute of Investment Analysis Malaysia and Royal Melbourne Institute of Technology, Australia

Main Responsibilities and Work Experience

Ms Koh is responsible for legal and compliance matters in both Carlsberg Malaysia and Singapore, and for helming the debt recovery function in Malaysia. She is also the Company Secretary of Carlsberg Malaysia Group.

She has more than 20 years of experience as a partner of a law firm and was the Vice President, Legal Compliance and Land Management, and the Company Secretary of an established company in the cement industry in her last role.

MANAGEMENT TEAM

PEARL LAI MING CHOO

Corporate Affairs and Sustainability Director

Date of Appointment
1 July 2014

Age 44

"Striving to be a thought leader in the brewing industry, we are committed to always staying ahead of the curve in the way we brew our beers, the way we engage our stakeholders and the way we safeguard the environment. Our ESG integration is the bedrock of our brewery transformation as we future-proof our business with greener operations."

Academic/Professional Qualification(s)

- Bachelor of Social Science (Hons) (Communication Studies), Universiti Malaysia Sarawak

Main Responsibilities and Work Experience

Ms Lai first joined Carlsberg Malaysia Group in September 2005 and served as the Director of Corporate Communications and CSR prior to her current position, effective 1 February 2022.

She is responsible for safeguarding our licence to operate while strengthening our purpose-driven reputation and engagements on sustainability (ESG), regulatory affairs, internal and external communications, as well as issues management.

She represents the Carlsberg Malaysia Group on the Council of the Confederation of Malaysian Brewers Berhad. She also sits on the Board of EUROCHAM Malaysia and is the Chairperson Danish Chamber of Commerce Malaysia.

GARY TAN SIM HUAN

Sales Director

Date of Appointment
17 August 2009

Age 54

"We are passionate about putting our customers and consumers at the heart of our business and everything we do. We grow together by prioritising their needs, delivering exceptional service and fostering mutually beneficial partnerships."

Academic/Professional Qualification(s)

- Bachelor of Economics (Hons), Universiti Malaya
- Leadership Course, London Business School, United Kingdom

Main Responsibilities and Work Experience

Mr Tan oversees the sales and distribution functions of the duty-paid, duty-free and exports businesses within the Malaysian operations.

He has close to 30 years of experience in the fast-moving consumer goods (FMCG) business.

Prior to joining the Group, he was the Customer Development Director of Unilever Malaysia.

OLGA PULYAEVA

Marketing Director

Date of Appointment
1 July 2022

Age 41

"Consumer tastes and preferences are constantly evolving, driven by generational shifts and a growing demand for new and exciting products and experiences. To foster transformation, we continually refine our brand strategy, introduce innovative products and leverage data-driven insights, ensuring we remain relevant, agile and competitive."

Academic/Professional Qualification(s)

- Masters in Business Administration, INSEAD
- Bachelor of Marketing and International Business, the Stern School of Business, New York University, United States

Main Responsibilities and Work Experience

Ms Pulyaeva oversees the brand, channel marketing, market research and marketing activation functions.

She has been with the Carlsberg Group since 2012, where her last role was in Russia as Baltika Brand Development Director in 2020.

She joined Carlsberg as Programme Manager (Go-to-Market), covering multiple European markets (Switzerland, Portugal, Croatia, Bulgaria, Poland, the United Kingdom and France). Since then, she has continued to progress her career by taking on roles with increasing responsibilities: Business Development Manager at Brasseries Kronenbourg (2013–2014) and Business Development Manager, Head of Business Development and Head of Craft and Specialties at Feldschlösschen Getränke AG in Switzerland (2014–2020).

MANAGEMENT TEAM

SERGEY RYCHKOV

Supply Chain Director

Date of Appointment
9 June 2023

Age 38

Our pursuit of excellence today and tomorrow is, above all, an evolutionary process. We are never satisfied with past achievements and continuously strive for perfection. Our most valuable resource is our united team and our leaders, who drive all improvements and transformations forward. Therefore, our focus on people development is undoubtedly the best approach in our journey of brewing for a better today and tomorrow.

Academic/Professional Qualification(s)

- Bachelor in Beer and Wine Technology, Almaty Technological University

Main Responsibilities and Work Experience

Mr Rychkov brings more than 18 years of experience in supply chain management.

He joined Carlsberg in January 2007 as Brewing and Production Operator in Kazakhstan and since then, Mr Rychkov has progressed his career with increasing roles and responsibilities within the Carlsberg Group. He oversees end-to-end supply chain operations in Malaysia, covering the areas of planning, production, logistics and procurement.

PAULINE LIM MAAN HEONG

Human Resources Director

Date of Appointment
25 November 2019

Age 47

Embracing the Carlsberg Growth Culture Principles empowers us to lead with passion, innovation and compassion. We create lasting impact and inspire sustainable progress by empowering our people to thrive through championing DE&I, enhancing capabilities, leading beyond our time through transformative technologies and upholding human and labour rights. Together, we brew a better today and tomorrow within our organisation and beyond.

Academic/Professional Qualification(s)

- Masters in HR Management and Industrial Relations, University of Newcastle, Australia
- Bachelor of Human Resource Management and Marketing (Hons), Middlesex University, United Kingdom

Main Responsibilities and Work Experience

Ms Lim leads the people agenda of Carlsberg Malaysia Group, driving Growth Culture and various Leading with Care initiatives, Diversity, Equity and Inclusion (DE&I), talent management, organisational development and human resource (HR) digitalisation.

Ms Lim brings more than 23 years of HR management experience in diverse industries, including locally listed and multinational organisations.

CAROLINE MOREAU

General Manager, Carlsberg Singapore Pte. Ltd.

Date of Appointment
1 July 2022

Age 49

At Carlsberg, we live by Semper Ardens (always burning) and constantly strive for the extraordinary. We challenge the status quo, set stretched ambitions and innovate to build beyond our time. With a relentless growth mindset, we embrace learning, experimentation and feedback, believing that our greatest achievements arise from our willingness to evolve, adapt and grow together.

Academic/Professional Qualification(s)

- Masters in Marketing and Communication (ESCP-EAP), PSB Paris School of Business, France

Main Responsibilities and Work Experience

Ms Moreau was appointed in July 2022, overseeing the Singaporean operations. She is the first female General Manager in the Asian region since 2013.

She has been with the Group since 2007 and was the Marketing Director of Carlsberg Malaysia in her last role. She has more than 20 years of marketing and commercial experience in the beverage and beer sector across Europe and Asia.

She is currently the Chairperson of MayBev Pte. Ltd., a 51%-owned subsidiary of Carlsberg Singapore Pte. Ltd., and represents the Singaporean operations on the Board of the Singapore Beer Industry Association Ltd.

MANAGEMENT DISCUSSION AND ANALYSIS

RESTRATEGISE TO GROW

Guided by Accelerate SAIL's growth ambitions, we set to drive profitability through accelerating premiumisation, optimising the growth potential of our premium brews – 1664, Sapporo and Connor's in Singapore.

Our people are the key enablers in delivering growth momentum. We are committed to nurturing a winning culture that supports our people's growth, well-being, and engagement. Our efforts bore fruit as our employee engagement score has improved significantly in 2023 and 2024.

On execution excellence, our brands and our people were recognised as the 'Favourite Imported Beer' by 7-Eleven, 'Best Account Manager' by DFI Group for two consecutive years in 2023 and 2024, and our company is the 'Preferred Business Partner' by FairPrice Group.

2024 was a year of resetting the baseline and all hands are on deck to navigate us through the headwinds to deliver our growth ambitions this year.

General Manager,
Carlsberg Singapore
Caroline Moreau

ACCELERATE SAIL

Launched in February 2024, Accelerate SAIL sets high ambitions for top- and bottom-line growth as we sharpen our focus on selected growth drivers within our portfolio and capabilities, for which we are ensuring sufficient investments and support. We are also improving supply chain efficiency, continuing our well-embedded cost focus, developing a growth culture and maintaining our commitment to ESG.

PORTFOLIO CHOICES

- Accelerate premium beer and AFB
- Strengthen mainstream core beer
- Step up in Beyond Beer

EXECUTION EXCELLENCE

- Excel at sales, marketing and innovation
- Drive digital transformation
- Manage supply chain end to end

FUNDING OUR JOURNEY

- Optimise sourcing
- Unlock supply chain efficiency
- Continue cost discipline

WINNING CULTURE

- Build a growth culture
- Together towards ZERO and Beyond
- Safeguard our licence to operate
- Live by our Compass

Through Portfolio Choices, we are sharpening our focus on premiumisation, innovation and strengthening core beer offerings. Investments in premium brands, Alcohol-Free Brews and Beyond Beer categories position us to cater to evolving consumer preferences while ensuring market leadership in key segments.

With Execution Excellence, we are driving flawless execution across sales, marketing and innovation, integrating digital transformation to enhance operational efficiency and supply chain resilience. Strategic activations and data-driven decision-making underpin our efforts to strengthen market leadership and long-term growth.

We also ensure we are Funding Our Journey by optimising sourcing, unlocking supply chain efficiencies and maintaining disciplined cost management. By doing so, we are safeguarding profitability while allowing us to reinvest in growth initiatives. Digitalisation and procurement excellence remain key to driving financial resilience and operational agility.

Building on our Winning Culture, we foster a high-performance, inclusive and purpose-driven work environment by embedding Growth Culture Principles, prioritising employee well-being and championing ESG commitments. A strong ethical framework and sustainability agenda ensures long-term value creation for all stakeholders.

PORTFOLIO CHOICES

In 2024, our Portfolio Choices strategy was driven by a sharpened focus on premiumisation, innovation and strengthening our core offerings. We successfully launched two premium brands — Sapporo and 1664 Brut — in Malaysia and Singapore, reinforcing our position in the high-growth premium segment.

Meanwhile, we maintained strong momentum in our mainstream beer category, leveraging three key pillars — Football, Music and Food — to deepen consumer engagement.

Our Alcohol-Free Brews (AFB) and Beyond Beer segments also saw sustained investment, catering to evolving consumer preferences for healthier and more diverse beverage options.

ACCELERATE PREMIUM BEER AND ALCOHOL-FREE BREWS (AFB)

The Accelerate Premium Beer and AFB strategy underscores our ambition to lead in the premium beer and alcohol-free brew segments, responding to evolving consumer preferences for quality, innovation and healthier beverage alternatives. It is a key growth driver of both our Malaysian and Singaporean markets.

We have been increasing investments in marketing and brand building to accelerate the growth of our portfolio of international and local premium brands through launching new products, variants and special packaging.

In 2024, we strengthened our focus on premiumisation, driving growth for our iconic brands such as 1664 with the introduction of a lager variant, 1664 Brut, a new addition to 1664 Blanc and 1664 Rosé wheat beers; launch of Japan's first beer, Sapporo; and our multi-award-winning Connor's Stout Porter. These are complemented by our alcohol-free brews in Malaysia and Singapore, Somersby Apple 0.0 and Somersby Mandarin Orange 0.0, and the Carlsberg 0.0 Pilsner and Carlsberg 0.0 Wheat in Singapore.

The execution of this strategic priority was backed by significant marketing investments across in-store and online promotions, partnership marketing and consumer-facing activations to increase trials and expand distribution.

WINNING CONSUMER PREFERENCE

Connor's Stout Porter and 1664 were honoured with prestigious Gold awards at the Putra Aria Brand Awards. These accolades highlight our premium brands' positioning and ability to craft quality brews that exceed consumer expectations.

1664 BRUT
Discover the New Side of Blue

Highlights

1664 Brut was introduced to enrich our premium brews and complement our existing offerings - 1664 Blanc and 1664 Rosé.

In Malaysia, we are the first Southeast Asian country to launch 1664 Brut with thousands of consumers being invited to Discover the New Side of Blue and sampling the new brews through experiential activations in Kuala Lumpur, Penang and Malacca. The 1664 Brut launch drove a wide-ranging campaign that involved media and channel activations to accelerate awareness, sampling and penetration.

In Singapore, the launch of 1664 Brut adopted a 360-degree approach, incorporating a mass on-ground event in the CBD at Orchard Road and an immersive flagship bar experience in the Emerald Hill. Sampling and media campaigns conducted further reinforced 1664 Brut's premium positioning.

Value Created

Brand awareness rose significantly, with brand health metrics like Premium Brand and International Brand imagery scores showing measurable improvement. Consumer engagement activities helped solidify 1664 Brut's position as a premium lager, while immersive brand experientials and samplings successfully increased trials and sell-in to modern bars and restaurants.

Challenges

Despite its success, 1664 Brut faced challenges with intense competition in the lager beer category. Achieving a balance between maintaining premium pricing and accessibility while staying competitive remains a key consideration going forward.

OVERVIEW

Known for its crisp, golden lager profile, 1664 Brut appeals to discerning beer enthusiasts. To drive penetration in Malaysia and Singapore, the premium lager was made available in cans, pints and draught, catering to both on-, off-trade and e-commerce channels.

Sapporo Premium Beer
The Iconic First Beer of Japan

Highlights

In Malaysia, Sapporo's nationwide roll-out in January was marked by a comprehensive in-market execution strategy. We focused on expanding distribution in off-trade and on-trade channels, including ensuring availability in key modern bars and dining outlets. Marketing investments were put behind promotions in on-trade, off-trade and e-commerce, as well as brand activations to build awareness and drive trials.

In Singapore, we emphasised Sapporo's heritage and quality across all promotions, further amplified by a launch event for customers and media. Roving teams deployed island-wide also drove awareness and consumer engagement. The introduction of Sapporo quarts in the middle of the year boosted its distribution further.

SAPPORO PREMIUM BEER

OVERVIEW

Sapporo, Japan's first beer, debuted in Malaysia and Singapore in 2024 as part of our premiumisation agenda. Sapporo was first introduced to our portfolio as the iconic Japanese premium beer when we transitioned from Asahi at the end of 2023.

Value Created

There were notable distribution gains in both markets, with positive volume growth as we ensured wide availability through cans, pints, quarts and kegs across key trade channels.

In Malaysia, we recorded a strong double-digit growth, while our Singapore operations fully transitioned to Sapporo in our traditional on-trade channels and almost 80% conversion in our modern on-trade channels.

Sapporo's launches offered greater excitement for Japanese beer consumers, further solidifying its position as a Japanese premium beer.

Challenges

Meticulous planning is required to ensure that pricing and promotions reflected Sapporo's premium positioning without compromising on accessibility. In addition, distribution gaps in Singapore also posed initial hurdles.

Connor's Stout Porter Taste the Good Times

Highlights

In Malaysia, we leveraged Connor's signature Shake and Pour ritual to set a new Guinness World Records™ title for 'The Most People Shaking Drink Cans Simultaneously' with 299 participants taking part in a truly unique consumer event.

In addition, Connor's celebrated with consumers through activations that covered events such as St Patrick's Day and Black Fridays. Meanwhile, music featured prominently as a way to connect with consumers through the Makers of Good Times campaign. The Good Times Tour reached Johor, Penang and Kuala Lumpur, engaging over 6,000 consumers.

In Singapore, we saw the launch of Connor's at Beer Fest Asia, where the brand collaborated with renowned illustrator Tobyato to create vibrant designs that resonated with festival-goers.

The Connor's Gift of Good Times campaign offered memorable festive experiences, including prizes like round trips to London and exclusive merchandise.

Value Created

Connor's achieved measurable growth in both awareness and sampling engagements, solidifying its position as a premium stout. Awards from Monde Selection and the World Beer Awards enhanced brand credibility, while its unique Shake and Pour ritual earned us a Guinness World Records™ title, creating a key differentiation from the competition.

In both Malaysia and Singapore, activations that celebrate the Makers of Good Times taglines have resonated strongly with consumers.

Challenges

Intense competition has posed significant challenges in both Malaysia and Singapore, indicating that it remains critical that we continue to differentiate Connor's while improving accessibility.

CONNOR'S
STOUT PORTER

OVERVIEW

Connor's Stout Porter solidified its position as a challenger brand in the stout category. With its distinct British-inspired identity, it is a multi-award-winning stout with Gold Awards from Monde Selection (2023 and 2024) and World Beer Awards (2023).

Somersby 0.0 Refreshingly Non-Alcoholic

Highlights

In Malaysia, the launch of Somersby Mandarin Orange 0.0 for Chinese New Year 2024 demonstrated the brand's ability to integrate into festive occasions. Collaborating with Jynns, a leading gifting company, the brand curated special gift boxes to reach a wider audience. Nationwide sampling campaigns, which included activations at malls and bazaars introduced over 90,000 consumers to the product. Additionally, the release of a local Hari Krismas music video in Sabah and Sarawak, sung in Bahasa Iban, showcased the brand's cultural resonance in East Malaysia.

In Singapore, the launch of the Mandarin Orange 0.0 variant coincided with preparations for Chinese New Year 2025. Partnerships with QuanShuiWetMarket and PlayMade, a popular bubble tea chain, expanded the brand's visibility and reach. PlayMade's summer collaboration featured a limited-edition menu infused with Somersby Apple 0.0, attracting new consumers and driving sampling engagements through exclusive bundle promotions.

The brand is also made available as a complimentary drink to party-goers at sponsored music and festive events, as aligned with our responsible drinking campaign - **#CELEBRATE**RESPONSIBLY.

Value Created

Somersby 0.0 achieved significant growth in the AFB segment in both Malaysia and Singapore. The Mandarin Orange variant's festive campaigns boosted brand engagement, while innovative collaborations with PlayMade appealed to an entirely new audience.

Challenges

Maintaining momentum in the competitive AFB segment required constant innovation and differentiation. Achieving differentiation from soft drinks remained an ongoing challenge in Malaysia. In Singapore, the premium pricing for Somersby during non-promotional periods such as Chinese New Year could impact demand among more price-sensitive consumers.

PORTFOLIO CHOICES

STRENGTHEN MAINSTREAM CORE BEER

The Strengthen Mainstream Core Beer growth driver focuses on reinforcing Carlsberg's position in the mainstream beer category by celebrating with consumers across the moments of Football, Food and Music.

By leveraging our flagship brands, such as Carlsberg Danish Pilsner (CDP), Carlsberg Smooth Draught (CSD) and Carlsberg Special Brew (CSB) and international well-known lagers – SKOL and Tuborg, we continue to build brand equities, improve visibility and expand consumer engagement.

In 2024, the Carlsberg brand continued to excite consumers with innovative packaging for the Chinese New Year in Malaysia and Singapore and the Gawai and Kaamatan festivals in Malaysia.

Internationally, the brand celebrated its iconic partnership with Liverpool FC, emphasising its longest partnership in Premier League and club history. In both Malaysia and Singapore, Carlsberg also collaborated with well-known festival and concert organisers and fashion brands to excite consumers with unique brand experientials and drinking experience.

MALAYSIA'S MOST PREFERRED BEER BRAND

Our crown jewel, Carlsberg brand won the Platinum Award for the fourth consecutive year at the 15th Putra Brand Awards ceremony in Malaysia. Voted by consumers, this achievement reaffirmed its position as the country's most preferred beer brand, a testament of its commitment to brewing excellence and product innovation.

In Singapore, the Carlsberg brand won two Silvers in Marketing Interactive's Best Event and Best Branding categories.

Carlsberg

Carlsberg SMOOTH DRAUGHT

Carlsberg SPECIAL BREW

OVERVIEW

In Malaysia, Carlsberg's mainstream portfolio centred on improving brand preference and creating memorable experiences under the #BestWithCarlsberg platform. Key focus areas included festive celebrations, football moments and spicy food. These efforts aimed to drive relevance and brand recall across various consumer demographics.

In Singapore, the portfolio's focus expanded to capturing opportunities within the higher ABV segment with the launch of Carlsberg Special Brew (not exceeding ABV 8%) in October 2024, alongside activations to improve brand equity and consumer engagement.

Carlsberg Danish Pilsner & Carlsberg Smooth Draught

Highlights

In Malaysia, the Chinese New Year campaign introduced the first CarlsBazaar, a modern reinterpretation of traditional bazaars in Kuala Lumpur and Penang, attracting over 30,000 attendees. We forged collaborations with aspirational streetwear brands TNTCO and Dissyco and the creative spirit of lifestyle brand Gumme to drive relevancy among younger consumers. To further elevate this festive occasion, both CDP and CSD had colour-changing cans featuring a unique temperature-sensitive ink, indicating the best drinking temperature (6°C) for the perfect festive brew.

The Raikan Kebanggaan Sabah & Sarawak campaign celebrated local pride with an artist-edition packaging featuring six key icons of Sabah and Sarawak. The first Harvest song, 'Rhythm of Keramaian', was created for the campaign and aired on local radio stations. The inaugural Carls Harvest Pesta in Kuching brought the brand closer to its East Malaysian consumers.

We further elevated consumers' experience of football moments with our #BestWithCarlsberg campaign by offering our consumers an all-expense-paid ultimate football staycation with their mates. We also arranged an exclusive meet and greet with Liverpool FC legends Patrik Berger and Vladimír Šmicer, tapped into local streetwear fashion relevancy and launched a football-inspired collection with TNTCO, which turned out to be a hit, in addition to starting a digital football league.

We also welcomed consumers to CSD's World of Smooth, where we further elevated the Real Smooth campaign with Real Smooth beer, Real Spicy bites and the electrifying addition of Real Beats events. Teaming up with a talented local creative collective, Loka Made, we showcased World of Smooth through vibrant and dynamic graphic illustrations.

In Singapore, Carlsberg's SneakerCon activation highlighted the brand's efforts to engage new audiences. Together with other events like Waterbomb, these activations successfully strengthened the brand's relevance. In addition, the Carlsberg Special Brew (not exceeding ABV 8%) was introduced in 490 ml cans to help meet evolving consumer preferences.

Value Created

The Chinese New Year campaign in Malaysia boosted brand awareness with on-ground activations and drew engagement and sales. Strategic collaborations with Key Opinion Leaders that resonated with consumers and new media platforms like Xiao Hong Shu helped to broaden reach.

Besides reinforcing local pride, the limited-edition packaging and localised activation of Carlsberg Smooth Draught via the Raikan Kebanggaan campaign contributed to sales growth in Sabah and Sarawak.

Football collaborations with Liverpool FC and special appearance of Liverpool legends improved brand imagery and relevance during major sporting events.

Strategic partnerships enhanced consumer engagements and brand awareness among party-goers at various events such as the Rainforest World Music Festival and Alan Walker Asia Tour in Malaysia, and SneakerCon and Waterbomb activations in Singapore.

Challenges

In Malaysia, sustaining brand preference amidst intense competition requires innovative strategies to resonate with consumers. Challenges included maintaining trade competitiveness and navigating pricing pressures without compromising brand equity.

In Singapore, softer market conditions and aggressive promotional activities created a challenging pricing environment.

PORTFOLIO CHOICES

STEP UP IN BEYOND BEER

The Step Up in Beyond Beer pillar reflects our commitment to diversifying our portfolio beyond existing beer offerings, catering to changing consumer preferences for variety and innovation. This strategy emphasises the development of cider, focusing on premium positioning and flavour innovation.

Through brands like Somersby cider, we aim to enhance consumer engagement and solidify its leadership in these categories across Malaysia and Singapore.

LEADING CIDER IN MALAYSIA AND SINGAPORE

At the Putra Brand Awards, known as the "People's Choice Awards" in Malaysia, Somersby, best known for its creative variant innovation earned a coveted Silver award.

Somersby

Highlights

In Malaysia, Somersby introduced Pineapple & Lime, an Asia first limited-edition flavour designed to excite consumers. The launch was supported by consumer activations in Klang Valley, Penang and Kota Kinabalu and successfully engaged with 6,700 consumers through an immersive brand experience. In Singapore, Somersby's portfolio grew with the introduction of Passionfruit and Orange in April 2023, a unique flavour combination that drove consumer interest.

Value Created

In Malaysia, 22,000 consumers sampled the Somersby Pineapple & Lime cider, and 90% gave positive feedback. The on-ground activations generated buzz and further strengthened brand equity. In Singapore, Somersby recorded significant improvements in brand health metrics such as awareness.

Challenges

Somersby's challenges in both markets included maintaining consumer interest amidst increasing competition in the cider category.

SOMERSBY

OVERVIEW

Somersby is at the forefront of our Beyond Beer strategy, positioned as a refreshing and innovative brand. In 2024, the focus was on driving growth by introducing new variants and limited-edition flavour innovations. As a result of these sustained efforts, Somersby saw strong performance and brand health recovery in both Malaysia and Singapore.

OUTLOOK

Our premium brands – 1664 Brut, Sapporo and Connor's will drive growth through greater visibility, accessibility and sampling while staying competitive through pricing and promotions. Continued investments in marketing and strategic partnerships will further drive growth momentum and brand equity in Malaysia and Singapore.

Our alcohol-free brews will prioritise variant innovation to offer excitement and drive trials. In Malaysia, we see good potential in growing the brand in other parts of the country. At the same time, Singapore will build on brand equity with greater visibility at the points-of-sales.

We will reinforce our brand positioning on the mainstream core beer and cider through culturally relevant campaigns and localised activations. The key focus is to drive organic growth by building deeper affinity with new and existing consumers through integrated consumer promotions, packaging or variant innovation and samplings.

Marketing Director,
Carlsberg Malaysia
Olga Pulyaeva

EXECUTION EXCELLENCE

To be successful and achieve our growth ambitions, we must continuously improve our commercial capabilities, drive supply chain excellence and master digital, data and processes.

We have identified the key capabilities and enablers for the delivery of our Accelerate SAIL ambitions.

We have also reinvested our efficiencies into capability building and process digitalisation; in areas such as value management, sales execution and e-commerce to drive revenue growth and in the areas of supply chain management and demand and supply planning automation to drive productivity.

In 2024, we made notable investments to drive Execution Excellence through integrated sales, marketing and innovation strategies, advancing digital transformation and strengthening our end-to-end supply chain.

Our focus remained on strategic partnerships, turning consumer insights into action and embedding digital solutions to enhance efficiency.

EXCEL AT SALES, MARKETING AND INNOVATION

We focus on delivering disciplined execution in sales, driving impactful marketing strategies and offering value-add innovation. This aligns with our ambition to solidify our market positions through in-market execution and innovative consumer engagements to sustain growth momentum. In addition, we also continue to integrate data and creativity to enhance media strategies, especially in the context of digital and social media marketing.

In 2024, we focused on strengthening brand equities by driving in-store excellence and nationwide activations and sampling. We take pride in our digital marketing strategies and speed to market for new products launches and distribution, particularly for Sapporo and 1664 Brut.

In the context of in-store excellence, we continued to focus on FIT (Focus, Implement and Track) execution, now supported by an AI-powered image recognition tool. With that, it provides us with valuable insights to improve our FIT performance, emphasising the 5Ps—Product, Price, Perfect Serve, Placement and Promotion—across on- and off-trade.

Highlights

Rapid route-to-market and wide distribution of Sapporo and 1664 Brut were supported by consumer and trade launches, reinforcing both premium brands' positioning in Malaysia and Singapore.

The launch of the limited-edition Somersby Pineapple & Lime cider generated excitement among consumers. Strategic sponsorships at pop-up markets and comedy shows extended consumers' reach.

Connor's Stout Porter's successful attempt at the Guinness World Records™ title for the 'Most people shaking drink cans simultaneously' at the REXKL in Malaysia on 24 August 2024 further bolstered its innovative stout positioning.

The Carlsberg CNY artist-edition colour-changing cans with temperature-sensitive ink reminded consumers that the best beer-drinking temperature is at six degrees.

Carlsberg's collaboration with streetwear brands, music and festival organisers in both Malaysia and Singapore elevated the brand's appeal and expanded its reach.

Somersby Mandarin Orange 0.0 launched in conjunction with CNY gained traction among soft drink consumers.

Value Created

We further strengthened brand affinity and equity through consumer-facing activations. Nationwide promotions and samplings also helped to expand distribution and encouraged trial. Guided by our FIT framework, we delivered optimal in-market execution, improving the availability and visibility of our brands. Through brand collaboration, we have also elevated our brand positioning and its relevance to consumers.

Challenges

Marketing investment behind nationwide activations, through-the-line advertising and innovative brand collaborations is increasingly high. We are also impacted by a lower footfall in the on-trade outlets due to shifting market dynamics and softer consumer sentiment.

EXECUTION EXCELLENCE

DRIVE DIGITAL TRANSFORMATION

Operational efficiency was significantly enhanced through process automation. It enabled real-time performance monitoring and intervention, fostering a data-driven culture and better alignment with strategic levers. We benefited from several improved sales and personnel automated systems that reduce manual conciliation with better accuracy. With data-driven analysis, we gained deeper insights to make informed decisions that collectively contributed to substantial operational improvements.

Highlights

KDS Neo, a digital solution for claims automation, was implemented in March in our Singapore operations, following the same adoption in Malaysia in 2023. It enhanced convenience for users and increased efficiency for approvers, providing a paperless and more seamless administrative experience.

The Image Recognition sales tool was upgraded to improve the accuracy of FIT execution tracking, ensuring higher precision in operational execution.

OnePlan platform, an end-to-end demand and supply planning tool was upgraded to increase forecast accuracy and optimise resource allocation.

Our Distributor Management System's E-Invoice module was rolled out in August to streamline invoicing processes.

The Commercial Analytics Platform (CAP) was implemented to improve data accessibility and enabled automation, delivering actionable insights to support commercial decisions.

Value Created

Leveraging machine learning and cloud computing, the system automation allows improved and more efficient utilisation of data from multiple external and internal sources. These digital capabilities deliver more accurate and granular data and insights, enabling real-time review, data-driven discussion and simulations.

Challenges

A key challenge is scaling our digital transformation efforts to minimise complexity while enhancing employee experiences.

E-COMMERCE

In 2024, the e-commerce landscape in Malaysia and Singapore underwent significant shifts marked by market consolidation, evolving consumer habits and heightened competition. We responded with a strategy centred on delivering differentiated consumer experiences, forging strategic partnerships and launching innovative campaigns to strengthen our market position.

Highlights

In Malaysia, we successfully expanded our e-commerce presence by partnering with Grab to launch an official store, enabling on-demand delivery and ensuring consumers could receive our products within minutes. On Shopee, Malaysia's largest e-commerce marketplace, our collaboration strengthened through annual joint business planning, which helped align strategies and drive growth.

Our brand visibility was strengthened with year-long brand exposure during peak shopping days. Additionally, we hosted live streams throughout the year to drive traffic and boost engagement, enhancing conversion rates. In addition, we also ran special edition gift-with-purchase campaigns, offered limited-edition products and gave away exclusive event access.

In Singapore, a standout achievement was the launch of our **#CELEBRATE**RESPONSIBLY campaign on Grab car fleets, which offered passengers alcohol-free beverage samples to create awareness of responsible drinking. This initiative was our commitment to responsible consumption. Collaborations with Foodpanda and 7-Eleven bolstered our omnichannel presence, driving our sales through promotional packs and in-app activations.

We also utilised the FIT framework to enhance our e-commerce channel by ensuring product availability through effective inventory management and strong supplier relationships, as well as by enhancing brand findability with SEO optimisation.

Value Created

In Malaysia and Singapore, we recorded growth in sales via e-commerce in 2024 compared to the previous year, maintaining our Top 5 position in the F&B category throughout the year. During key campaigns, such as the 11.11 Biggest Sale, our flagship stores also secured the Top 3 ranking and saw a spike in traffic.

Challenges

The rapid growth of e-commerce penetration has further intensified competition and increased costs. In addition, shifting consumer preferences and expectations required constant innovation and adaptability to sustain our competitive edge.

OUTLOOK

We will continue to strengthen collaborations with our customers through joint business planning, ensuring our brands come to life at the point of purchase and delivering the best brand experience for consumers. In-store execution excellence remains a priority, with the FIT Execution Programme now enhanced by an AI-powered image recognition tool. This enables us to convert insights into action, optimising trade execution and effectively turning shoppers into buyers across both on-trade and off-trade channels.

Our digital transformation efforts will continue to drive operational efficiencies and commercial effectiveness, allowing us to enhance data-driven decision-making and streamline processes to improve productivity. In e-commerce, we will strengthen our partnerships with e-retailers, offering differentiated digital shopping experiences while leveraging data-driven insights to expand our omnichannel strategy, ensuring sustained growth momentum and stronger engagement with e-shoppers.

Sales Director,
Carlsberg Malaysia
Gary Tan

EXECUTION EXCELLENCE

MANAGE SUPPLY CHAIN END-TO-END

Our commitment to excellence in the supply chain reflects our broader ambition to optimise operational efficiency, enhance production capabilities and drive sustainability. In line with the Carlsberg Excellence Programme, we delivered our targets across procurement, planning, logistics and production while optimising costs, ensuring quality and safety and upholding our high standards.

In Malaysia, we recorded a 90% adoption rate of the OnePlan tool, an integrated supply chain programme that transformed our demand and supply planning capabilities. Major benefits are improving our end-to-end planning capabilities, harmonising our planning processes, moving from sequential to concurrent planning, and connecting all aspects of supply chain planning in real time manner.

In Singapore, the Power BI tool was implemented to optimise the Sales and Operations Planning (S&OP) process. This advancement improved our forecast accuracy. In addition, several digitalisation projects involving sales and logistics saved substantial time and reduced errors.

HARMONISED PLANNING PROCESS

OUTLOOK

The three-year transformation of our production facilities, totalling RM200 million, had significantly enhanced packaging capabilities, improved production capacity and delivering higher efficiencies. These upgrades ensured that our operations are future-proof and the synchronised automation across planning, data management and operational workflows improved our productivity.

Supply Chain Director,
Carlsberg Malaysia
Sergey Rychkov

FUNDING OUR JOURNEY

Funding our Journey is a crucial element in Accelerate SAIL, as it will provide the financial headroom for the increased commercial Investments.

In Accelerate SAIL, we are expanding the reach of Funding Our Journey, taking the programme to the next level with a firm ambition to restore gross margin to pre-COVID levels.

This will facilitate the step-up in investment levels required to capture the growth opportunities for our brands and markets.

In 2024, we optimised sourcing, unlocked efficiencies from brewery transformation initiatives and maintained disciplined cost management. These efforts enabled us to reinvest in high-impact initiatives while safeguarding profitability.

Despite external challenges, our strategic focus on procurement excellence, digitalisation and cost discipline ensured that we remained agile and well-positioned for future growth.

TRANSFORMING SUPPLY CHAIN PLANNING

First launched in Malaysia in 2023, OnePlan is a new-generation planning tool that integrates all aspects of supply chain planning, including demand, supply, inventory, production and materials planning. It enables a fully connected Sales and Operations Planning (S&OP) process and near-real-time "what if" scenario planning, as well as faster identification of capacity constraints and faster response time to changes in demand.

OPTIMISE SOURCING

We worked closely with global and regional procurement to leverage regional procurement integration.

By aligning multi-country tender processes, we streamlined sourcing requirements across markets, ensuring consistent pricing, quality and supplier service levels. This approach optimised costs while driving cost savings and supply chain efficiency.

In 2024, we introduced new suppliers to the sourcing pool to create a more competitive supplier environment. This strategy promotes competition and improved pricing and diversifies the supply base, mitigating risks and enhancing quality performance. In addition, regular joint meetings with key suppliers facilitated strategic alignment and swift action, ensuring that supplier relationships translated into measurable business outcomes.

UNLOCK SUPPLY CHAIN EFFICIENCY

Significant capital investments were made to enhance supply chain efficiency, safety and environmental sustainability.

The brewery transformation project unlocked several benefits, enhancing our operational efficiency and helping us to meet our sustainability goals.

Further advancements were realised through the new centralised CIP (Cleaning in Place) plant, which consolidated seven CIP stations into one efficient section, achieving utility savings of 5% in water, 3% in heat energy and 1% in electricity.

CONTINUE COST DISCIPLINE

Our approach to cost discipline centres on cash optimisation and financial management.

By continuously reviewing expenditures, improving cost structures and implementing efficient revenue management practices, we ensure that every ringgit spent contributes to long-term value creation. However, to address escalating costs, including higher raw material prices, logistics expenses and the impact of SST, we implemented price adjustments in 2024. These adjustments were undertaken cautiously to balance affordability for consumers with maintaining market competitiveness in Malaysia.

Strong cash management practices allowed us to fund significant capital expenditure projects internally without additional external financing. Investments were directed towards growth-driving initiatives, such as people development, operational efficiency and supply chain enhancement.

In addition, we optimised sales and distribution execution and allocated resources to premium brand marketing for Sapporo, 1664 Brut and Connor's.

OUTLOOK

Funding Our Journey is integral to our commitment to financial resilience and operational efficiency in Malaysia and Singapore.

We have identified several savings and efficiency opportunities across procurement, value management and standardisation of raw and packaging materials, production and logistics.

Chief Financial Officer,
Carlsberg Malaysia
Vivian Gun

WINNING CULTURE

We believe that our people and culture set us apart. To successfully deliver on our Accelerate SAIL growth priorities, we need an even stronger growth focus, and we set to empower our entire organisation to shift into growth mode.

In 2024, we reinforced our Winning Culture that champions growth, Live by Our Compass, Together towards ZERO and Beyond (TTZAB) and Safeguard our Licence to Operate in our organisation in Malaysia and Singapore.

By embedding the Growth Culture Principles (GCP), fostering diversity, equity and inclusion (DE&I) and enhancing employee well-being, our people are equipped and empowered to thrive professionally and personally.

As a result, both our Malaysian and Singaporean operations have received several HR-related awards and industry recognitions, a testament to our commitment to high-performing culture, ethical leadership, sustainability and responsible business practices.

This has strengthened our reputation as a purpose-driven organisation, ensuring we continue to create lasting value for all stakeholders – employees, communities, shareholders and NGOs.

- **We live by *Semper Ardens* and constantly strive for the extraordinary**
- **We decide fast and deliver with excellence**
- **We foster an environment of positive energy and compassion**
- **We empower, support and grow our people to reach their full potential**
- **We are passionate about the consumer in everything we do**

OUR GROWTH CULTURE

Recognising that our people work in different markets, cultures, functions and roles, we launched five common Growth Culture Principles, which will serve as our North Star for the behaviours that we expect of our employees. Our growth culture means striving for the extraordinary by challenging the status quo, setting stretched targets and driving innovation. It is about fostering a workplace fuelled by positive energy, compassion, collaboration and inclusion, where achievements are celebrated. Our passion for consumers is at the heart of everything we do, making us true ambassadors for our brands. We prioritise fast, data-driven decisions and embrace failures as learning opportunities. Our growth culture empowers, supports and grows our people, enabling everyone to reach their full potential.

BUILD A GROWTH CULTURE

Our commitment to fostering a high-performing, inclusive and supportive culture is embedded in the Carlsberg Well-being Cycle, which focuses on workplace, emotional, physical and financial well-being. We rolled out our GCP to further accelerate growth, driving growth mindsets, behaviours and actions. The five GCPs emphasise the living of *Semper Ardens* mindset, fostering positive energy and compassion, being passionate about consumers, deciding quickly and delivering with excellence, as well as empowering employees to grow and lead.

Highlights

In Malaysia, the launch of our first Hoppies Day reinforced the Carlsberg Well-being Cycle by providing employees with resources and opportunities to nurture their overall well-being. This event was complemented by the introduction of the Employee Assistance Programme, a personalised counselling hotline, which extended support to employees and their families in navigating personal and professional challenges.

On DE&I, we fostered open and inclusive dialogues through initiatives like Jom! Breakfast with Leaders, and we encouraged employees to share feedback, co-create solutions to improve workplace culture via MyVoice Open Forum. We also partnered with LeadWomen through the Equality@Work Corporate Community to champion DE&I and collaborated with the Enabling Academy to offer employment opportunities for neurodivergent individuals.

We also rolled out the CERRA Recognition Programme to offer flexi benefits that cater to the lifestyle preferences of employees at different stages of their lives. Outstanding individual and team achievements aligned with GCP behaviours were also be rewarded through the programme.

Furthermore, the Carlsberg Leadership Suite programmes, internal career movements and global assignments have accelerated the development of future-ready leaders.

For more information on the Leadership Suite, please refer to page 128.

Value Created

In Malaysia, our DE&I initiatives strengthened our gender diversity with 33% of female representation in the workforce (+11% since 2020) and a +12% in female managers to 44%. We won the HR Asia's Best Companies to Work for in Asia for the third consecutive year. Additional accolades included awards for DE&I and Sustainable Workplace, further cementing our reputation as a leading employer.

In Singapore, our MyVoice employee engagement rate improved substantially, with a +12-point increase in 2023 and a further +3-point increase in 2024, surpassing the Singapore market benchmark. We are proud recipients of the prestigious Gold Award in Excellence in Work-Life Harmony at the 2024 HR Excellence Awards, recognising our efforts to integrate work and life through flexible work arrangements and vibrant workplace initiatives.

The launch of our first Hoppies Day strengthened our commitment to building a workplace where well-being, inclusivity and engagement drive performance and growth.

OUTLOOK

In 2025, we will introduce a new performance management system to drive and reward desirable behaviours in line with GCP.

We will continue to embed these principles into our people-centric initiatives and processes and renew our talent management practices to build exemplary leadership and growth capabilities.

This is a multi-year journey, and we are passionate about creating a workplace culture that inspires excellence and delivers lasting value for all stakeholders.

Human Resources Director,
Carlsberg Malaysia
Pauline Lim

WINNING CULTURE

TOGETHER TOWARDS ZERO AND BEYOND

Our ESG programme, Together towards ZERO and Beyond (TTZAB), is an integral part of Accelerate SAIL, focusing on the 13 most material ESG issues impacting our business.

TTZAB is our response to global challenges such as climate change, water scarcity and inequality. TTZAB supports our licence to operate and reputation and strengthens our relationships with stakeholders.

Meeting our targets and commitments will be challenging and demands transformative change – across our operations and value chain – that we cannot achieve alone. Therefore, partnering with suppliers, customers, consumers and communities remains central to our approach as we drive progress Together towards ZERO and Beyond.

Read more about our ESG actions in the Sustainability Statement (pages 80-145).

Striving to be a thought leader in ESG, our primary focus in 2024 was on industry analysis and feasibility studies to accelerate our decarbonisation strategies and enhance our climate-related risk and opportunity disclosures in Malaysia and Singapore.

Sustainable brewing and packaging were an integral part of the three-year brewery transformation journey in our Malaysia operations. Throughout the process, we left no stone unturned to explore all possible ways to ensure the new bottling and canning packaging lines and the new filtration plant are designed to deliver optimum efficiencies in energy, water and waste.

In our efforts to reduce packaging waste, we made significant strides in bottle collection and recycling. We have, over a one-and-a-half-year attempt, successfully expanded our distributor incentive scheme in Malaysia to include the 1664 pint bottles. The first commercial production of the returned 1664 bottles with new 1664 crates designed to fit the iconic blue bottles had commenced successfully in November 2024.

In Singapore, we have included Sapporo quart bottles into the collection, returnable and refillable at our brewery, a huge improvement as compared to Asahi quarts which were not recycled previously.

In 2024, our collection and recycling rate was 95% in Peninsular Malaysia and 97% in Singapore. We are also cognisant of the Singapore government initiative – Beverage Container Return Scheme, that will be implemented from 1 April 2026 and will plan for island-wide implementation to divert our aluminium can from incineration.

People's safety at the workplace and in the marketplace is a top priority. In Malaysia, we regret to record one lost time accident (LTA) in October 2024 with an employee who suffered minor injuries at work. A post-accident review was conducted, and the lessons learned were incorporated into our safety Standard Operating Procedures. In the mean time, our Singapore operations closed the year without any lost time accidents, recording 1,533 accident-free days.

Responsible sourcing and human rights compliance are key focus areas for 2024. In Malaysia, we hosted the inaugural Supplier Day for approximately 64 suppliers from 25 companies, successfully onboarding upstream suppliers to advance sourcing in a structured environmental and socially responsible framework. Amongst them, 12 suppliers have signed up as Sedex member, joining the bigger pool of suppliers under the Carlsberg Group.

SAFEGUARD OUR LICENCE TO OPERATE

In 2024, we reaffirmed our dedication to safeguarding our licence to operate through proactive stakeholder engagements and upholding our commitment to ensuring compliance with the highly regulated environment in Malaysia and Singapore.

We prioritised strengthening relationships with business chambers, industry associations and Non-Governmental Organisations (NGOs). These engagements allowed us to contribute meaningfully to industry-wide policy developments while taking into consideration the cultural and regulatory sensitivities of the communities we serve. We also demonstrated our commitment to aligning our business operations with societal expectations through regular dialogues and engagements with government agencies.

As a founding member of the Confederation of Malaysian Brewers Berhad (CMBB) and the Singapore Beer Industry Association (SBIA), we collaborate on initiatives to protect legitimate brewers from contraband and illicit trade. A key focus was advocating for no changes to the current excise duty rates, emphasising that higher duties could exacerbate demand for illicit products, leading to public health risks and reduced tax revenues.

OUTLOOK

We commend the Malaysian and Singaporean governments for maintaining beer excise duties rates for 2025, a decision aligned with our advocacy for equitable industry regulation and taxation.

Looking ahead, we have plans to step up on joint efforts with the authorities to curb contraband in Malaysia through capacity-building workshops and increased focus to address illicit trade, through the Multi-Agency Task Force (MATF) engagements chaired by the Ministry of Finance.

Priorities for the current year will focus on the beer industry's economic impact studies, compliance with the high standards of marketing practices by the International Alliance of Responsible Drinking (IARD) and active consultations with alcohol industry operators to address alcohol-related harm by promoting science-based policies in response to the Global Alcohol Action Plan (GAPA) by the World Health Organization (WHO).

Corporate Affairs and Sustainability Director,
Carlsberg Malaysia and Singapore
Pearl Lai

WINNING CULTURE

LIVE BY OUR COMPASS

Our commitment to ethical conduct and compliance is embodied in our 'Live by Our Compass' approach, which ensures integrity and transparency across all operations. In 2024, we reinforced this commitment through several key initiatives, further strengthening our compliance framework and employee engagement.

One of the highlights was the launch of the Speak Up Campaign, aimed at increasing awareness of ethical practices and encouraging employees and third parties to report concerns (refer to page 155 for more information). This campaign was actively promoted through various channels, including company-wide memos, town hall discussions, and updated screensavers and posters, ensuring visibility across all offices in Malaysia and Singapore.

We also conducted a Compliance Enhanced Risk Assessment (ERA) in alignment with the Group's Audit Committee and Executive Committee. This in-depth evaluation identified legal compliance risks in bribery and corruption, competition law, data protection and trade sanctions. The Malaysia and Singapore markets successfully developed and implemented mitigation plans to address eight identified risks, reducing the likelihood of future issues.

In addition, the Compliance Carnival 2024 continued to create awareness of key compliance topics, including anti-bribery measures, third-party screenings, competition law and contract management processes. The event involved 166 employees in Malaysia and achieved a 90% participation rate in Singapore, fostering engagement and awareness on compliance areas and best practices in contract management.

In the fourth quarter of 2024, Group Internal Audit conducted a Human Rights audit covering all employees and business units in Carlsberg Malaysia, including third parties such as brand promoters. The audit result was deemed satisfactory.

OUTLOOK

Over the years, we have significantly strengthened our compliance framework. The ERA process identified and mitigated critical risks, and also informed broader risk assessments at the market and Group levels. The Speak Up Campaign and Compliance Carnival enhanced employee awareness and reinforced the importance of ethical conduct, contributing to a stronger organisational culture. Going forward, we anticipate the introduction of an updated Code of Ethics Policy, which will be emphasised during the annual Compliance Day.

Legal and Compliance Director and Company Secretary, Carlsberg Malaysia
Koh Poi San

MARKET LANDSCAPE AND OUTLOOK

NAVIGATING MARKET SHIFTS AMID ECONOMIC HEADWINDS

Global and regional markets faced inflationary pressures, high interest rates and shifting consumer behaviour in 2024, shaping a challenging yet dynamic business environment.

GDP GROWTH in 2024

5.1%
Malaysia

GDP GROWTH in 2024

4.4%
Singapore

The global economy in 2024 showed cautious optimism, with growth projected at 3.1% as resilience in the United States, fiscal stimulus in China and expansion in key emerging markets drove economic activity.

However, growth remains below the pre-pandemic average, constrained by high interest rates, elevated public debt and ongoing geopolitical tensions. The prolonged Russia-Ukraine conflict continues to disrupt global supply chains, while trade restrictions and technology disputes reshape market dynamics.

Malaysia's economy grew by 5.1%, reflecting a gradual recovery despite persistent external uncertainties. However, the weakening ringgit, inflationary pressures and the increase in Sales and Service Tax (SST) from 6% to 8% weighed down on consumer purchasing power. The Malaysian Ringgit's prolonged underperformance against the U.S. Dollar also contributed to higher input costs, impacting businesses across various sectors.

MARKET LANDSCAPE AND OUTLOOK

Consequently, consumer sentiment remained subdued, shaped by rising living costs. The UOB Group's ASEAN Consumer Sentiment Study 2024 indicates that 85% of Malaysians expressed financial concerns, the highest in ASEAN, while inflation and escalating household expenses continued to weigh on discretionary spending.

Singapore's economy grew by 4.4%, but inflationary pressures and rising costs for essentials dampened consumer spending. The GST increase to 9%, coupled with higher rent, utilities and food prices, prompted households to reassess discretionary purchases.

Government fiscal support provided some relief, but affordability concerns remained the primary driver of purchasing decisions. The beer market softened as price competition intensified, with parallel imports continuing to challenge established players.

Competitive Environment

According to GlobalData Plc, beer remains the dominant segment in Malaysia's alcoholic beverage market, accounting for 90% of total sales and projections are for muted growth with a modest CAGR of 0.6% through 2027. In Singapore, the beer segment accounts for 81% of the alcoholic beverage market and is expected to grow with a CAGR of 1% through 2027.

Illicit beer continues to erode market share, particularly in East Malaysia, posing a challenge for legitimate players. Seasonal pricing pressures, particularly around Chinese New Year, further intensified competition. In Singapore, prolonged price competition and increased availability of parallel imports continue to impact market dynamics. At the same time, inflation-driven cost increases added pressure on margins.

Shifting Consumer Preferences

Affordability remains the key driver of consumer behaviour. Still, demand for premium experiences continues to emerge, particularly among urban consumers, across both our markets. Consumers are increasingly opting for easy-drinking and flavoured alcoholic beverages, showing increased interest in new and innovative offerings.

Inflationary concerns have also led to shifts in purchasing behaviour, with consumers actively seeking value, switching to lower-cost alternatives, trading down for smaller packaging formats and reducing consumption frequency.

Retail and Distribution Trends

In Malaysia, smaller-format stores such as neighbourhood minimarkets and convenience outlets continue to gain traction as consumers reduce basket sizes and shopping frequency. In Singapore, convenience stores remain an essential retail channel, reflecting consumer preferences for accessibility and efficiency. E-commerce remains a critical channel across both countries, with more consumers relying on digital platforms to compare prices and access promotions. The industry is adapting to these changes by integrating online-to-offline strategies to sustain market engagement.

2025 Outlook

The Carlsberg Malaysia Group remains vigilant in navigating a volatile macroeconomic environment marked by inflationary headwinds, high interest rates and cautious consumer sentiment.

Malaysia's GDP is projected to grow between 4.5% and 5%, supported by strong domestic demand and higher disposable incomes from wage adjustments. However, subsidy rationalisation, increased electricity tariffs and new regulatory requirements such as e-invoicing could present cost challenges. Singapore is expected to see more modest growth of 1% to 3%, with spending constraints continuing to shape consumer behaviour.

The Group will accelerate its Accelerate SAIL strategy with a sharper focus on premiumisation, expanding its presence in key categories while strengthening affordability-driven offerings. Growth will be driven by efforts to establish 1664 as a premium market leader, strengthen Sapporo's position as the top Japanese beer in the market and reinforce Connor's as the stout of choice. Beyond Beer will be a key focus area in 2025 as we look into emerging trends and opportunities outside the beer category to diversify our portfolio and fuel growth. Cost efficiency remains a priority, with brewery transformation and operational improvements helping to mitigate inflationary pressures.

The Group remains confident in its ability to sustain growth and long-term value creation by adapting to evolving consumer behaviours and reinforcing its competitive positioning in both Malaysia and Singapore.

Carlsberg Malaysia Group
REVENUE
in 2024 vs 2023

+8.8% Malaysia

-4.1% Singapore

STAKEHOLDER ENGAGEMENT AND ADVOCACY

WHY IT IS IMPORTANT

At Carlsberg Malaysia Group, meaningful engagement with our stakeholders is key to delivering value and building a more resilient and sustainable business. Our interactions provide crucial insights into their priorities, enabling us to respond effectively while reinforcing trust. Open and transparent engagement is the foundation of these relationships, ensuring we remain responsive to stakeholder expectations.

We engage with eight key stakeholder groups through structured dialogues and proactive initiatives. These engagements help shape our business and sustainability agenda while reinforcing our commitment to responsible business practices. Our stakeholder engagements provide us the opportunity to communicate our strategic decisions and enable us to anticipate risks and opportunities in an evolving business landscape. By actively listening and responding to feedback, we enhance product innovation, strengthen responsible business practices and drive collective action to advance our sustainability journey — Together towards ZERO and Beyond.

As we continue brewing transformation for a better today and tomorrow, we are committed to evolving our engagement strategies to be more inclusive, insightful and impactful. By listening, understanding and acting on stakeholder feedback, we strengthen trust, create value and contribute meaningfully to a sustainable future.

Engagement Method	Frequency	Priorities	Our Efforts	Material Matter(s)	Alignment with UN SDGs
Consumers (e.g. on-trade and off-trade consumers, e-commerce consumers)					
• Product launches and sampling • Advertising and promotions • Brewery visits, events and trips	• Regular basis • On campaign-basis • As and when required	• Stringent quality, relevance and competitiveness of our products • Consumer information on the alcohol content, ingredient, nutrition, social and climate-related responsibility of our products • Importance of moderation in consumption, effects of misuse and alcohol-related harm in society	• Launched two premium brands, Sapporo and 1664 Brut, one flavour combination cider, limited-edition Somersby Pineapple & Lime and one AFB brand, limited-edition Somersby Mandarin Orange 0.0. Refer to pages 18, 20, 21 & 23. • The first CarlsBazaar in conjunction with the CNY campaign. Refer to page 55. • The first-ever Harvest song 'Rhythm of Keramaian' and the inaugural Carls Harvest Pesta. Refer to page 55. • #BestWithCarlsberg campaign, offering football staycations and an exclusive football viewing party with Liverpool FC legends Patrik Berger and Vladimír Šmicer. Refer to page 14. • In Malaysia, Connor's signature Shake and Pour ritual had set a new Guinness World Records™. Refer to page 22. • In Singapore, Connor's took part in Beer Fest Asia and Connor's Gift of Good Times campaign offered trips to London. Refer to page 22. • Hosted brewery tours for approximately 10,828 consumers from March to November 2024.	• Product Quality and Safety • Preventing Harmful Use of Alcohol • Responsible Marketing and Advertising	3.5
Trade Partners (e.g. distributors, customers, retailers)					
• Trade and market visits • Distributor conferences • Responsible drinking partnerships	• Weekly, monthly or regular basis • Annually • As and when required	• The availability, visibility and competitiveness of our products in comparison to our peers • Importance of moderation in consumption and prevention of the harmful use of alcohol at outlets	• Frequent visits and engagements via joint business plans, discussions, trips and brewery visits. Refer to page 60. • Drive sales and footfall with promotions and activities. • Extended the **#CELEBRATE**RESPONSIBLY campaign to distributors. Refer to page 134. • Expanded our distributor bottle return incentive scheme in Malaysia to include 1664 pint bottles as part of our efforts to reduce packaging waste. Refer to page 111.	• Product Quality and Safety • Preventing Harmful Use of Alcohol • Responsible Marketing and Advertising • Sustainable Packaging and Materials	3.5 12.5 17.16, 17.17

STAKEHOLDER ENGAGEMENT AND ADVOCACY

Engagement Method	Frequency	Priorities	Our Efforts	Material Matter(s)	Alignment with UN SDGs
Employees					
• Global employee survey • Performance reviews • Town halls and internal festive celebrations • Company conference and dinner • Employee contests and activities • Consultations, dialogues and feedback • Learning programmes and workshops	• Annual • Twice a year • Monthly and regular • Annual • Regular • Regular • Regular	• Build talent and succession pipelines • A DE&I, growth and engaging workplace culture • Employees' physical, emotional and financial well-being and health and safety at the workplace	• Cascaded strategy and performance via the annual conference, monthly hybrid town halls and Supply Chain shift town halls to keep employees informed and engaged. • Implemented several development and leadership programmes to identify, grow and retain talents. Refer to pages 128 & 129. • Conducted annual MyVoice employee survey to encourage feedback and drive open forums. Refer to page 65. • Hosted awareness engagement day to promote gender and ethnic diversity, health and safety and compliance. Refer to pages 68, 118 - 127 and 155. • Took part in career fairs to recruit undergraduates and talents. Refer to page 126. • Won HR-related awards that strengthened our employer value propositions. Refer to pages 25 to 27. • Two-way communication via our intranet, email, internal memo, WhatsApp channel and social media channels (Facebook, Instagram and LinkedIn).	• Diversity, Equity and Inclusion and Talent Development • Employee Safety, Health and Wellness	3.4, 3.5 8.5, 8.8 5.5
Policymakers, Regulators and Industry Leaders					
• Engagement with Federal and State governments, Ministries and agencies • Engagement with European Chambers, trade and industry-related associations • Engagement with the Royal Embassy of Denmark in Malaysia and Singapore • Bursa Malaysia and Securities Commission	• On a schedule and as and when required	• Our position in the industry as a positive contributor to the economy, and in compliance with local regulations • Our corroboration to tackle the sale of illicit alcohol, which poses a public health risk and leakages to tax revenue • Our ability to safeguard our licence to operate and navigate concerns regarding the sale of alcohol	• Conducted roundtable dialogues with relevant ministries to address smuggling and the illicit alcohol trade. Refer to pages 67 and 77. • Proactive engagement with policymakers and authorities, as well as discussions with industry. • Industry organisation memberships, partnerships and board positions to learn, share and drive best practices. • Hosted Brewery Transformation ceremony with endorsement from the Ministry of International Trade and Industry, the Ambassador of the EU to Malaysia and the Ambassador of Denmark to Malaysia. Refer to page 33. • Published our Integrated Annual Report with a focus on climate-related financial disclosures. Refer to pages 91 - 106.	• Safeguard Our Licence to Operate • Product Quality and Safety • Sustainable Packaging and Materials	12.6 17.16, 17.17
Shareholders, Investors, Analysts and FInancial Institutions					
• Integrated Annual Report • Annual General Meeting • Analyst briefings and Investor calls • Company announcement on corporate website • Financial reporting to Bursa Malaysia • Engage with ESG rating agencies	• Annual • Annual • Biannual • As and when required • Quarterly • As and when required	• Our commitment to statutory and listing requirements • Our commitment to ESG-related compliance, performance and reporting • Our ability to mitigate risk and leverage on opportunities • Our economic and social contribution	• Published our Integrated Annual Report with our financial and non-financial performance. Refer to pages 4 - 6. • Shared our decarbonisation initiatives and reported on our ESG initiatives, targets and results at quarterly Board meetings and monthly town halls. • Hosted analyst briefings twice a year with quarterly press releases. • Complied with the applicable laws and regulations, including national reporting guidelines and standards (e.g. Value Reporting Foundation, MMLR, MCCG, MFRS, IIRF, IFRS).	• Safeguard Our Licence to Operate	12.6
Suppliers and Vendors					
• Code of Conduct and Policy • Quality Controls, Assurance and Audits • Decarbonisation programme and partnerships	• On a schedule and as and when required	• Our adherence to human rights and labour standards • Our compliance with international standards and the Carlsberg Group's Operating Manual • Our commitment to net zero carbon emissions across our value chain by 2040	• Inaugural Supplier Day for upstream suppliers. Refer to pages 89 & 90. • Communicated and ensured compliance with our Supplier and Licensee Code of Conduct and Sourcing Policy, supported by scheduled audits. Refer to page 88. • Explored partnerships to reduce our shared carbon footprint in areas like packaging, transport and refrigeration.	• Responsible Supply Chain Management and Responsible Sourcing • Adapting to Climate Change • Energy, Carbon and Waste Management • Sustainable Packaging and Materials	13.3 17.16

Engagement Method	Frequency	Priorities	Our Efforts	Material Matter(s)	Alignment with UN SDGs
Non-Governmental Organisations (NGOs), Sustainability Partners and Non-Profit Organisations (NPOs)					
• In Malaysia, we engaged with NGOs and Partners: - Bursa Malaysia - Securities Commission's Capital Markets Malaysia - International Alliance of Responsible Drinking (IARD) - Confederation of Malaysian Brewers Berhad (CMBB) - United Nations Global Compact Network Malaysia and Brunei (UNGCMYB) - Climate Governance Malaysia (CGM) • In Singapore, we engaged with NGOs and Partners: - Singapore Beer Industry Association (SBIA) - Singapore Alliance for Responsible Drinking (SARD)	• On a schedule and as and when required	• Our compliance with Main Board Listing Requirements • Our commitment to ESG-related compliance, performance and reporting • Our ability to mitigate risk and leverage on opportunities	• Pledged support towards Bursa Malaysia's Centralised Sustainability Intelligence (CSI) platform. • Adopted Securities Commission's Capital Markets Malaysia's SEDG. Refer to pages 89 & 90. • Supported the Ten Principles of the UN Global Compact Index on human rights, labour, environment and anti-corruption. Refer to page 255. • Advocated the importance of responsible consumption to consumers. Refer to pages 133 to 136. • Self-regulation in responsible sales, marketing and consumption. • Capacity building programme to curb contraband and illicit alcohol trade. Refer to pages 67 & 77. • Supported the climate governance summit, masterclass and activities.	• Safeguard Our Licence to Operate • Community, Social Impact and Investment • Preventing Harmful Use of Alcohol • Responsible Marketing and Advertising	3.5 13.3 17.16
• In Malaysia, we partnered with NPOs: - LeadWomen Sdn. Bhd. - 30% Club - Enabling Academy • In Singapore, we partnered with NPOs: - Charitable homes and social enterprises	• Quarterly • As and when required • As and when required	• DE&I at workplace, marketplace and community	• Active participant of LeadWomen's initiatives, e.g. APAC DE&I Summit, Equality@ Work roundtables. Refer to page 126. • Partnered with Enabling Academy to provide job opportunities for neurodivergent individuals. Refer to page 127. • Donated essential items during the festive season to the orphanages and old folks' home. • Partnered with social enterprise (single mothers community) for catering services and to repurpose Carlsberg's banners into pouches as corporate gifts and gifts for employees.	• Community, Social Impact and Investment • Diversity, Equity & Inclusion and Talent Development • Adapting to Climate Change	8.5
Media (Paid and Earned Media)					
• Company website and social media platforms • Press engagements via releases, briefings, launches, and campaigns • Media interviews and dialogues • Policy briefing for content publishers and KOLs • Media partnership in community events and sustainability-related speaking engagements	• On a schedule and as and when required	• Key financial and non-financial performance • Key corporate, brand and sustainability-related matters	• Invitation to members of the press to corporate and brand events. • Partnered with media partners on strategic sponsorships and events. • Invited as a panellist at a Business Forum by the Sin Chew Media Group in Malaysia. • Collaborated with media to co-host fundraising events for schools in Malaysia. Refer to pages 131 & 132.	• Safeguard Our Licence to Operate • Community, Social Impact and Investment	17.16

VALUE CREATION MODEL

Carlsberg Malaysia Group is guided by the International Integrated Reporting Council (IIRC) framework of the Value Reporting Foundation (VRF), when preparing this Value Creation Model. We made responsible choices and decisions in capital allocations to deliver on our Accelerate SAIL corporate strategy, creating and preserving value for our key stakeholders, as aligned with our pledge towards the UN Sustainable Development Goals (UN SDGs).

INPUTS

FINANCIAL (as of 31 December 2024)

- Market capitalisation: RM6.3 billion
- Shareholders' equity: RM278.2 million
- Share capital: RM149.4 million
- Total assets: RM1,133.4 million

INTELLECTUAL

- Brand equity and rights
- Industry experience and knowledge
- Extensive route-to-market network
- Demand and supply planning system (OnePlan)
- AI-powered sales insights and measurement tool (Image Recognition)

MANUFACTURED

- 1 corporate office each in Malaysia and Singapore
- 1 brewery in Malaysia
- 18 sales offices across Malaysia and Singapore
- 1 bonded warehouse within the brewery and 2 external bonded warehouses, all located in Shah Alam. 1 bonded warehouse in Jurong, Singapore

HUMAN

- 826 driven and future-ready employees in Malaysia and Singapore
- A diverse, equitable and inclusive team

NATURAL

- Water for production and brewing facilities
- Trees for paper and packaging materials
- Energy for production and logistics
- 29.63 acres of land for premises and facilities

SOCIAL AND RELATIONSHIP

- Strong long-term rapport with key stakeholders

Refer to Stakeholder Engagement and Advocacy on pages 71 - 73.

KEY ACTIVITIES

OPERATION *to meet listing requirements and business sustainability*

BREWING AND PACKAGING *our products*

DISTRIBUTING *our products in Malaysia, Singapore*

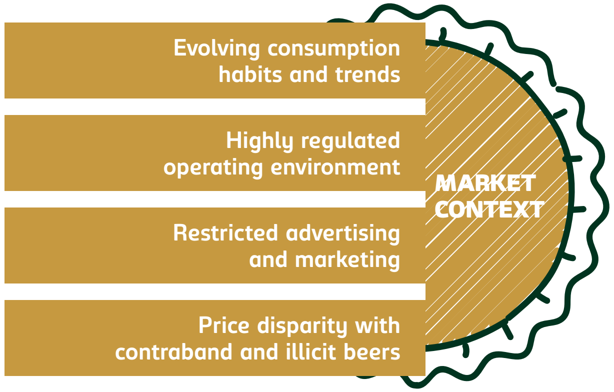
SALES *to on-trade and off-trade retailers and e-commerce operators*

MARKETING *our products to consumers to* **#CELEBRATE**RESPONSIBLY

Refer to Our Business Model on page 9.

KEY DIFFERENTIATORS

- Brewing heritage and expertise
- Reputable international brands
- Quality and innovative brews
- Sustainability-focused operations
- Purpose-driven team



OUTPUTS

FINANCIAL (as of 31 December 2024)

INTELLECTUAL

MANUFACTURED

HUMAN

NATURAL

SOCIAL AND RELATIONSHIP

OUTCOMES

Outcomes		SDGs
• Net profit: RM337.1 million • Revenue: RM2.4 billion • Earnings per share: 110.25 sen • Total dividend declared and proposed: 100 sen per share	• RM1.2 billion in excise duties and taxes • Winner of The Edge Billion Ringgit Club Award for Highest Return-On-Equity for five consecutive years	12.6
• Launched 1664 Brut and Sapporo in Malaysia and Singapore • Launched Somersby Pineapple & Lime cider in Malaysia • Alcohol-free beverage Somersby Mandarin Orange 0.0 (Limited-Edition) launched in Malaysia and Singapore	• Guinness World Records™ title holder for the 'Most people shaking drink cans simultaneously' on 24 August 2024 • 1664 Blanc awarded as one of the Most Favourite Imported Beer by 7-Eleven Singapore	3.5
• Brewery transformation: Upgraded state-of-the-art production facilities and Membrane Filtration System • Upgraded hospitality lounge and cafeteria	• Workplace enhancement: Open office concept with ergonomic desks, upgraded carpark facilities with sheltered pedestrian walkway	3.5, 12.5, 17.16, 17.17
• Strong female representation in the senior leadership team • Healthy succession pipeline • A highly engaged team with low turnover rates • Enhanced gender diversity • Increased total female population	• Provision of Employee Assistance Programme support services for employees and their families • Won awards in Employee Experience, being the Employer of Choice and the Most Preferred Graduate Employers to work for in 2024 • Won HR Excellence Awards in Work-Life Harmony in Singapore	3.4, 3.5, 5.5, 8.5, 8.8
• 0.6% decrease in energy consumption vs 2023 • 3% reduction in total brewery emissions vs 2023 • 12% reduction in water usage in the production process vs 2023	• Zero waste to landfill • Zero use of coal • Zero waste practices at the workplace	13.3, 17.16
• Reached 10,625 consumers who pledged to **#CELEBRATE**RESPONSIBLY • 75% procurement spend on local vendors	• Received Recognition award for UNGCMYB's Forward Faster Sustainability Awards 2024 for our partnership with Veolia on waste management • Received FairPrice Partners Excellence and DFI Best Key Account awards in Singapore	3.5, 8.5, 13.3, 17.16
		12.6, 17.16, 17.17
		17.16

REFERENCES

Read more about Accelerate SAIL in our Management Discussion and Analysis on page 48.

To understand who our stakeholders are and their primary concerns, see pages 71 - 73.

BUSINESS RISKS AND OPPORTUNITIES

RISK MANAGEMENT

The Management assesses each risk based on its probability of occurrence and impact, guiding the formulation of appropriate mitigating activities. Our aim is to mitigate risks that impact our strategic objectives, while also managing our risk appetite to ensure sustainable shareholder value. In practice, new or emerging risks are proposed by the risk owner in quarterly meetings led by the Managing Director. Enclosed are four key risks we have identified in 2024 and their corresponding mitigating measures.

ECONOMIC UNCERTAINTY RISKS

Risk Description

The volatility in commodity prices, driven by inflationary pressures, logistical disruptions and fluctuating fuel and transport costs, has led to increased input costs. Additionally, foreign exchange (forex) fluctuations, particularly the Malaysian Ringgit against the U.S. Dollar, posed an added challenge.

Mitigating Activities

With support from the Carlsberg Group, we secured long-term contracts with key suppliers and implemented hedging on selected commodities to mitigate price risks and ensure stability. Additionally, we expanded our vendor coverage of key materials to ensure continuity of supply and competitiveness, even amidst volatile economic conditions. Furthermore, our export sales in Singapore served as a natural hedge, helping to offset forex risks and stabilise income flows.

Link to Material Matter(s)

Responsible Supply Chain Management and Responsible Sourcing

SUPPLY CHAIN-RELATED RISKS

Risk Description

Interruptions in water supply, machinery breakdowns, natural disasters or fire incidents could lead to significant production disruptions and downtime.

Mitigating Activities

We have robust preventive maintenance in place, and from 2022 to 2024, we invested capital expenditure of RM200 million to upgrade our production capabilities as part of our brewery transformation project. To mitigate against water supply disruptions, we have an alternative source of water from a tube well inside our brewery. Our employees regularly undergo training to upskill in machinery operation. We also conduct monthly safety and fire risk assessments, as well as annual fire drills as precautionary measures.

Link to Material Matter(s)

Adapting to Climate Change; Responsible Supply Chain Management and Responsible Sourcing

Risk Description

The disruption in the supply of materials can severely impact production processes, causing delays in fulfilling orders and meeting customer demands.

Mitigating Activities

We ensure that we appoint multiple vendors who can supply key materials and simultaneously enables us to identify backup suppliers. We also rely on Carlsberg's network of breweries for material sourcing, in case of urgent or unexpected demands.

TAXES AND ILLICIT BEER RISKS

Risk Description	Mitigating Activities	Link to Material Matter(s)
The influx of smuggled beer and parallel imports and increased illicit alcohol trade will lead to adverse impacts on revenue and profit.	Through the Confederation of Malaysia Brewers Berhad (CMBB) and Singapore Beer Industry Association (SBIA), we engaged with government agencies to address the issue of contraband beer products by strengthening enforcement on the illicit alcohol trade and raising awareness of the characteristics of contraband beers through capability building workshops for enforcement officers.	Safeguard Our Licence to Operate
Any rise in excise duty will lead to an increase in consumer price, negatively impacting sales and paving the way for an increase in contraband beer products.	We maintained regular communication with authorities, expressing our viewpoints on beer taxes in Malaysia and Singapore — both of which have among the three highest excise duties in the world — and the economic viability of local beer manufacturers in Malaysia. In Singapore, we actively engaged with authorities to advocate for policies that balance the government's revenue needs with the industry's sustainability and competitiveness.	

LEGAL AND REGULATORY COMPLIANCE RISKS

Risk Description	Mitigating Activities	Link to Material Matter(s)
Failure to adhere to statutory requirements under the Employment Act 1955, and guidelines on the employment of foreign workers under the Employment (Amendment) Act 2022, may result in severe consequences, including substantial penalties.	We conducted our inaugural Supplier Day in October 2024 to brief our key upstream suppliers on our Human Rights Policy and guidelines. The Carlsberg Group Internal Audit team also concluded an audit of our human rights and labour practices in November 2024, with the findings rated as satisfactory. Key improvement areas were also identified and resolved.	Human Rights and Labour Standards; Responsible Supply Chain Management

OPPORTUNITIES

In line with our Accelerate SAIL strategy, the Management constantly reviews market dynamics and conducts market research to tap into opportunities for growth. We are guided by our strategic priorities to innovate our brewing capabilities and expand our portfolio while also tapping into climate-related opportunities to meet our carbon-neutral targets.

BREWERY TRANSFORMATION

Opportunities Description

As part of our brewery transformation journey, we installed a state-of-the-art canning line and upgraded our beer filtration plant in 2024, improving our production efficiency, lowering utility consumption and ensuring that we are future-ready for a higher production capacity. The next phase will involve upgrades in our ammonia plant that will elevate safety standards and significantly increase efficiency.

Link to Material Matter(s)

Responsible Supply Chain Management

BRAND PREMIUMISATION

Opportunities Description

As part of our premiumisation strategy, we are committed to growing our premium brand portfolio with increased marketing investment, a sharpened channel mix and strategic pricing that meets consumers' expectations.

Link to Material Matter(s)

Economic Impact and Tax

EXPANSION OF ALCOHOL-FREE BREWS (AFBs) – BEYOND BEER

Opportunities Description

Our leadership in the Alcohol-Free Brews (AFBs) category is further supported by the variant innovation of Somersby Apple 0.0. In 2024, limited-edition Somersby Mandarin Orange 0.0 was introduced in Malaysia and Singapore, in addition to the existing AFBs offering of Somersby Apple 0.0 in both countries as well as Carlsberg 0.0 Pilsner and Carlsberg 0.0 Wheat in Singapore. In line with our ZERO Irresponsible Drinking programme, we aim to promote this category as an alternative to alcoholic beverages through awareness and sampling.

Link to Material Matter(s)

Economic Impact and Tax;
Preventing Harmful Use of Alcohol

SUSTAINABLE PACKAGING

Opportunities Description

Aspiring to deliver ZERO Packaging Waste, we expanded our returnable bottle scheme across Peninsular Malaysia to include 1664 bottles, building on our existing Carlsberg bottle collection system via distributor incentives. We believe that including 1664 bottles in the returnable and refillable bottle scheme will lower our carbon footprint and increase bottle collection rates. In Singapore, we are committed to support the Beverage Container Return Scheme that is expected to commence in 2026.

Link to Material Matter(s)

Sustainable Packaging and Materials

Our Sustainability Journey

ESG PROGRAMME: TOGETHER TOWARDS ZERO AND BEYOND (TTZAB)

Our Together towards ZERO and Beyond (TTZAB) programme comprises our ambitions and concrete targets to address our Environmental, Social and Governance (ESG) matters that are most material to our business and to the wider society.

As we work to achieve these, we are putting in place governance structures, developing strategies, allocating resources and investment and taking actions to achieve our targets of ZERO carbon emissions at our brewery by 2030 and net zero carbon emissions across our entire value chain by 2040.

TTZAB is our response to global challenges such as climate change, water scarcity and inequality. It also supports our licence to operate and reputation and strengthens our relationships with stakeholders.

The programme is anchored in our Purpose of brewing for a better today and tomorrow and embedded into our overall corporate strategy — Accelerate SAIL — because we recognise that our ESG performance can strengthen our overall business performance and Company culture.

TTZAB outlines our ambition towards achieving our ZERO targets, which are categorised into **ZERO Carbon Footprint**, **ZERO Farming Footprint**, **ZERO Packaging Waste**, **ZERO Water Waste**, **ZERO Irresponsible Drinking** and **ZERO Accidents Culture**.

In addition to the six ZERO targets, TTZAB also outlines seven sustainability focus areas that can enhance our reputation and strengthen our relationships with stakeholders by demonstrating our commitment to sourcing responsibly, promoting diversity, equity and inclusion (DE&I), respecting human rights, living by our Compass, engaging meaningfully with communities, protecting our product quality and safety and safeguarding our licence to operate.

Meeting our targets and commitments as we integrate TTZAB into our Malaysia and Singapore operations demands transformative change — across our operations and value chain — that we cannot achieve alone. Therefore, while we work to manage our most material business impacts responsibly, partnering with suppliers, customers, consumers and communities remains central to our approach as we mitigate risks and capture opportunities to brew for a better tomorrow and accomplish our strategic objectives.

Read more about our ESG initiatives in the Sustainability Statement (pages 80-145).

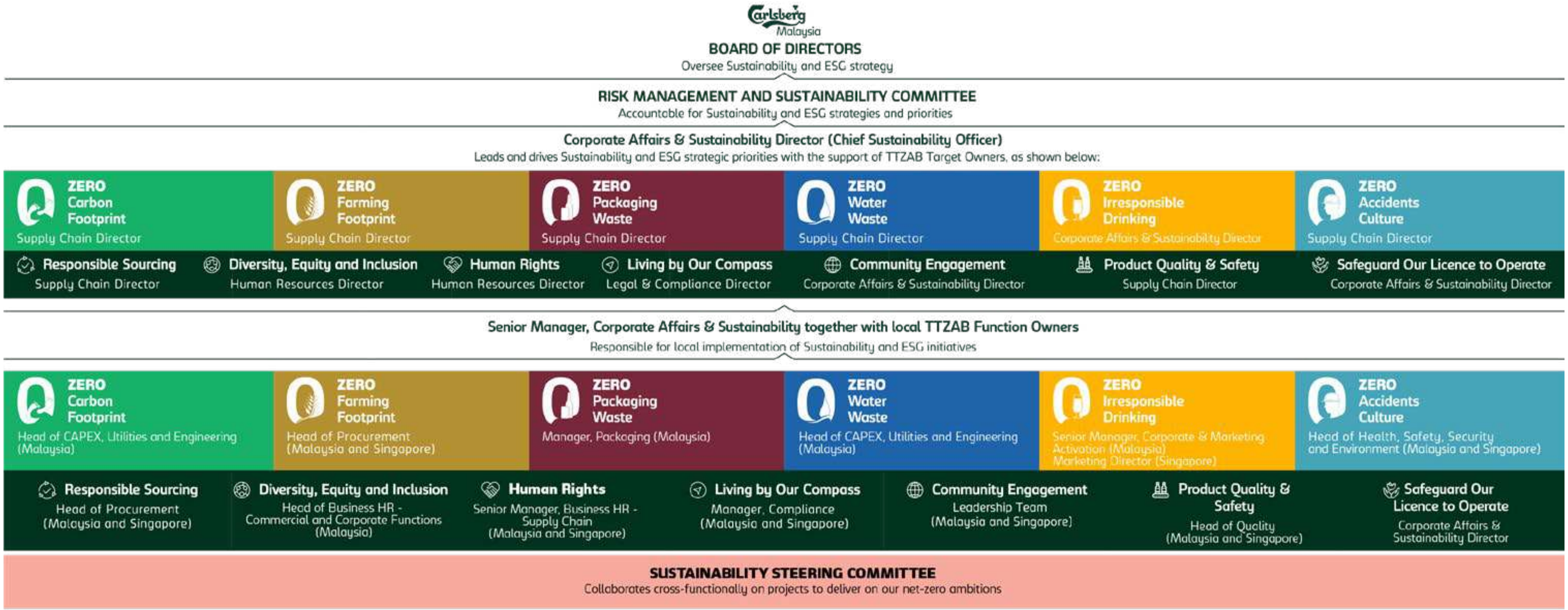
ESG GOVERNANCE

The Carlsberg Malaysia Group's Board of Directors has oversight of our sustainability and ESG strategy, including climate-related risks and opportunities. The Board is kept abreast of TTZAB programme updates and progress by the members of the Risk Management and Sustainability Committee (RMSC) and Sustainability Steering Committee (SSC).

The RMSC is responsible for providing oversight, assessing and approving our ESG strategies, priorities, targets and initiatives. The committee members meet on a quarterly basis and are often updated on the latest developments, regulations and reporting standards set by Bursa Malaysia and international climate- and sustainability-related bodies.

The Corporate Affairs and Sustainability Director, who is also the Chief Sustainability Officer, steers ESG strategic priorities and facilitates decarbonisation projects with the support of the Senior Manager, Corporate Affairs and Sustainability and TTZAB Target Owners.

The SSC is responsible for driving strategic initiatives and partnerships while supporting TTZAB Function Owners in project implementation performance management, reporting and stakeholder engagements. Guided by the RMSC, the SSC meets regularly to identify, discuss and address potential climate- and Sustainability-related Risks and Opportunities (SROs).



MATERIALITY REVIEW

Material matters are crucial for both the sustainability and success of our business, as they encompass topics that are important to our business and stakeholders. In our commitment to brewing for a better today and tomorrow, we prioritise our efforts to address sustainability-related risks and opportunities for the immediate, short and long term.

In 2022, we engaged an external consultant to conduct a comprehensive materiality assessment, aligned with the Accountability AA1000 Stakeholder Engagement Standards, addressing key sustainability issues.

In 2023, we conducted a materiality validation exercise to ensure alignment with stakeholder needs and our TTZAB focus areas, resulting in a reduction to 19 from 27 prioritised material matters.

We further refined our priority material matters to 13 through an internal review in 2024, ensuring greater focus in the execution of our sustainability commitments. Our approach, progress and achievements in 2024 and plans for 2025 for the 13 material matters are reported in the Sustainability Statement. The material matter on 'Threats to Commercial Freedom' is reported under 'Winning Culture — Safeguard Our Licence to Operate', in the Management Discussion and Analysis on page 67, while the material matter on 'Adapting to Climate Change' is reported under 'Our Journey towards Net Zero' on pages 91 - 106.

The following list contains our material matters:

1. Product Quality and Safety
2. Responsible Advertising and Marketing
3. Responsible Supply Chain Management & Responsible Sourcing
4. Water Use and Management
5. Sustainable Packaging and Materials
6. Energy, Carbon & Waste Management
7. Adapting to Climate Change
8. Employee Safety, Health and Wellness
9. Diversity, Equity and Inclusion and Talent Development
10. Community, Social Impact and Investment
11. Preventing Harmful Use of Alcohol
12. Human Rights and Labour Standards
13. Anti-Bribery, Corruption and Competition

FY2024 Materiality Matrix

ECONOMIC PRIORITIES

PRODUCT QUALITY AND SAFETY

Stakeholder Groups Most Concerned
Consumers; Customers; Government Agencies and Regulators

We prioritise the traceability, safety and consistent quality of our products, adhering to food safety standards, local government regulations, industry requirements and the guidelines set by the Carlsberg Group Quality Standards.

Why It Is Important

As our most significant material matter, we remain dedicated to ensuring the safety and quality of every ingredient, material and technology used in brewing our beverages and packaging our products.

We acknowledge that non-compliance with the Food Act and Regulations could lead to local authority's scrutiny, potentially impacting our reputation and resulting in quality issues that may affect customer satisfaction and stakeholder confidence.

By adopting best practices and advanced technologies, we not only comply with food safety requirements, but also provide exceptional value to our stakeholders through quality-assured products and packaging.

Our Approach

We continue to strengthen our practices, ensuring they meet evolving industry standards and consumer expectations, in compliance with all relevant food safety laws, regulations and standards:

- Malaysia Food Act 1983
- Malaysia Food Regulations 1985
- ISO 9001:2015 as per international standards of quality
- HACCP MS1480:2019 as per food safety standards
- The Carlsberg Brewery Quality and Food Safety Policy
- The Carlsberg Brewery Quality Manual

Progress/Achievements

As of the end of the reporting period, we had assessed 100% of our products for food safety impacts. During FY2024, there were no consumer-related product recalls due to food safety or quality. There was, however, one packaging defect incident, which our team identified and rectified in accordance with the Carlsberg Operational Manual (COM) guidelines, outlining our stringent packaging standards.

Throughout the year, we implemented a series of initiatives focused on maintaining high safety and quality standards for our consumables:

1. Reviewed and updated **HACCP** documents to reflect the installation of a Membrane Filtration System and a new canning line
2. Upgraded the new canning line with **state-of-the-art machinery, improved material flow movement and enhanced entry control in the production area**
3. Relocated CCTVs to the new canning line to **cover critical areas and equipment operations**
4. Upgraded brewing production areas to yellow zones to **enhance personal hygiene rules and food defence surveillance**
5. Installed advanced empty bottle inspection systems for the bottling line to **enhance product quality and food safety**
6. Conducted **food handler training** for supply chain employees involved in the production and storage of finished products
7. Provided FSSC 22000 **training to supply chain key functions** involved in end-to-end processes of beer production

Going Forward

We will carry out the following measures to continuously uphold high levels of product quality and safety:

- **Conduct raw material and packaging material sampling inspections in accordance with the COM guidelines**
- **Implement Supplier Quality Management with an alternative supplier system and an audit process in place**
- **Focus on compliance with good warehousing practices and transport requirements**
- **Maintain continual adherence to standards, including ISO 9001, the CIP Handbook, the HACCP-based food safety system and the Food Act 1983 requirements**
- **Perform an annual product traceability exercise**
- **Conduct continuous risk assessments of our facility to secure our food defence system**
- **Plan for FSSC 22000 certification to strengthen our food safety management system**

Employees participating in food defence training to ensure product quality and safety standards are maintained throughout our production processes.

RESPONSIBLE ADVERTISING AND MARKETING

Stakeholder Groups Most Concerned
Consumers, Customers, Industry Associations and Regulators

3.5 17.16

We strive to promote alcoholic and non-alcoholic beverages in an ethical and responsible manner, focusing on consumers of legal purchasing age. This effort spans all marketing channels, including on-trade, off-trade, e-commerce and both online and on-the-ground events.

Why It Is Important

Our pledge to ZERO Irresponsible Drinking remains at the heart of our operations, advocating for responsible consumption among legal-age drinkers through various marketing strategies. This commitment is crucial in safeguarding consumer health, complying with local laws and protecting our right to operate. Through initiatives centred on 'enjoyment in moderation', we aim to drive a positive brand image, strengthen trust with our stakeholders and enhance our reputation as a responsible brewer. Our focus is on playing a constructive role in the solution to irresponsible drinking.

Our Approach

Through our Marketing Communication Policy (MCP), we continue to uphold our commitment to responsible advertising, setting a high benchmark as a self-regulated brewer. Built on eight guiding principles, this policy ensures that our messaging reaches the right audiences sensibly and effectively. It also supports our ability to create innovative and engaging marketing that reflects our purpose and standards.

Carlsberg Group

MARKETING COMMUNICATION POLICY

MARKETING COMMUNICATION PRINCIPLES

APPEAL
Design communications to appeal to adult audiences

EFFECTS
Never claim that alcohol can contribute to individual success, enhance abilities or benefit health

PLACEMENT
Actively restrict people under the legal purchasing and/or drinking age from being exposed to our communications

TRANSPARENCY
Provide transparent information about our products

MODERATION
Advocate responsible purchasing and/or drinking age and enjoyment in moderation

PROGRESS
Communicate legally, truthfully and respectfully, championing social inclusion and environmental sustainability

SAFETY
Never associate consumption of our products with drink-driving, potentially dangerous activities or antisocial behaviour

ALCOHOL-FREE
Offer choice through alcohol-free brews and market them responsibly

Scan here to learn more about the MCP

ECONOMIC PRIORITIES

Additionally, we reinforced our Responsible Advertising and Marketing practices through the principles of responsible marketing set by the Confederation of Malaysian Brewers and the Singapore Beer Industry Association, of which we are proud founding members.

Our approach in Malaysia remains aligned with the Malaysian Communications and Multimedia Commission's Content Code. This ensures that our advertising and marketing practices respect the context of social values in the country.

Throughout FY2024, we recorded no instances of non-compliance with regulatory requirements, nor any complaints or legal actions concerning marketing or labelling.

Progress/Achievements

In Malaysia and Singapore, our Above-the-Line (ATL) and Below-the-Line (BTL) marketing activities were aligned with local regulations and guidelines across each market. Currently, our initiatives are as follows:

Guiding Responsible Marketing Communication

Our MCP remains a key guideline for all our employees, affiliated agencies and contract workers who are communicating through or on behalf of our brands. This includes media agencies, our current serving social media and creative agencies, as well as all our existing Key Opinion Leaders (KOLs). It is essential that everyone involved in marketing efforts adheres to the MCP. We provide a comprehensive briefing to communicate the policy effectively and share a reference copy during agency pitches or when onboarding a vendor.

We also tailor the MCP to meet the specific requirements of local markets, ensuring relevance and compliance. For instance, the MCP provides guidelines to govern alcohol-related advertisements, posts and videos across Malaysia and Singapore. This includes ensuring alcohol-related advertisements must not encourage drinking while at work or in situations or locations where it could lead to unsafe or unwise behaviour. In addition, we strictly prohibit promotions of excessive alcohol consumption.

In Malaysia, the MCP guidelines ensure that the intended audience does not include anyone below 21 and those of the Islamic faith. The content of advertising and marketing must also include a responsible drinking message, advice notices and the 'Don't Drink and Drive' logo and be age-gated wherever possible. We collaborate only with KOLs who are at least 25 years old and visibly reflect their age.

In Singapore, similar guidelines to those in Malaysia are followed, with the key difference being that Singapore's legal drinking age is 18 and above.

To further guide our efforts in responsible marketing, we have put in place a standard operating procedure outlining the review process for print, online and digital marketing materials, ensuring adherence to and consistency with departmental policies.

Our product packaging features symbols indicating the legal purchasing age, ingredients, alcohol strength and health warnings, in accordance with the Food Regulations Act by the Malaysian Ministry of Health.

The flow chart illustrates the steps taken to validate these materials before distribution across approved platforms:

Marketing Materials Reviewing and Approving Process

1. Brand team reviews externally developed marketing materials
2. Verified by Marketing Manager
3. Approved by Marketing Director
4. Clearance by Legal Director and Corporate Affairs and Sustainability Director

Enforcing Marketing Compliance

Our Legal Department regularly conducts internal audits to ensure continued compliance with the MCP. Our respective brand teams are accountable for addressing any gaps promptly, with verification of closure from the Legal Department. As of 31 December 2024, there were no pending issues documented.

Enhancing Brand Safety

Beginning 1 January 2024, we transitioned to Google's DoubleVerify for our brand safety monitoring efforts. DoubleVerify replaced the Moat Analytics Tracking System, which was previously used in all our digital media buys to monitor unsafe advertisement placements and measure advertisement delivery across the web.

While both platforms track and measure brand safety, DoubleVerify enhances the process by categorising risks into three tiers: High, Medium and Low. This provides greater flexibility in assessing content, topics and webpages based on their risk level.

In short, we now track brand safety not only at the overall level, but also across distinct tiers, providing a more detailed assessment of risk. For FY2024, all our digital ads have consistently adhered to the established thresholds, ensuring compliance with the set brand safety standards.

DoubleVerify Brand Safety Benchmarks

Overall Brand Safety:	99%
High Risk Incident:	<5%
Medium/Low Risk Incident:	<25%

Sustaining Awareness of Responsible Drinking

Through the **#CELEBRATE**RESPONSIBLY campaign, we maintained our ongoing efforts in advocating the importance of responsible drinking to prevent the harmful use of alcohol. We promoted moderation in drinking as a key approach to tackle alcohol misuse and reduce alcohol-related harm within society, such as underage drinking and drink-driving.

Going Forward

We will continue to observe and practise responsible marketing by ensuring that new employees, agency partners and contract workers are aware of the MCP and relevant regulations and guidelines. We will also maintain vigilance in monitoring and tracking our online advertisements through DoubleVerify for brand safety.

For more information on how we promote responsible consumption through our marketing activities and actions, please refer to ZERO Irresponsible Drinking and Preventing Harmful Use of Alcohol on pages 133 to 136.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT AND RESPONSIBLE SOURCING

Stakeholder Groups Most Concerned
Suppliers and Vendors; Industry Groups; Investors; Government Agencies and Regulators

8.7, 8.8 | 12.6 | 17.16, 17.17

We advance ethical supply chain management by integrating responsible sourcing into our operations, minimising environmental impact and fostering sustainable outcomes across our value chain.

Why It Is Important

Responsible business remains a core aspect of our strategic priorities. We remain dedicated to upholding high standards, openness and transparency in areas such as labour practices, ethics, environmental impact and health and safety through our responsible sourcing programme.

By prioritising partnerships with reliable and ethical business partners, we focus our efforts and resources on three material matters: employee safety, health and wellness, sustainable packaging and materials and human rights and labour standards.

Our Approach

We are committed to maintaining ethical and sustainable business practices in line with our Supplier and Licensee Code of Conduct. Our code defines key principles that all suppliers and licensees must adhere to, such as labour and human rights, health and safety, environmental sustainability, business ethics, competition and fair trade and data protection.

By embedding these standards into our procurement processes, we ensure that all suppliers and licensees operate in alignment with our values.

The Supplier and Licensee Code of Conduct is a mandatory requirement for all suppliers and vendors. We further ensure adherence through comprehensive guidelines in our purchase orders, including compliance with our policy on gifts and gratuities. Our vendors are subjected to stringent screening via our Third-Party Screening Tool.

We recognise the importance of engaging local suppliers to foster community development and stimulate local economic growth.

In 2024, we spent 75% of our procurement on products and services from local suppliers, including those sourced from Malaysia by our Singapore operations.

As part of our responsible sourcing practices, we assessed 100% of new suppliers in FY2024 against our environmental and social criteria.

Progress/Achievements

We implement the following initiatives annually to ensure responsible sourcing and manage our supply chain effectively:

1. **Monitoring our supplier performance:** We are committed to working closely with our suppliers to ensure they uphold high ethical and environmental standards throughout the value chain. Through rigorous evaluations, we prioritise quality, environmental responsibility and social impact, requiring their compliance with sustainability standards. In FY2024, we focused on supplier engagement and audits.

2. **Lowering our Greenhouse Gas (GHG) emissions:** Our ongoing collaboration with suppliers is central to our efforts to reduce GHG emissions by streamlining transport and logistics. In FY2024, we focused on key activities such as streamlining processes and eliminating losses to lower carbon emissions.

3. **Upholding our health and safety standards:** Building on our progress in 2023, we continued to maintain stringent health and safety standards across our supply chain, reinforcing our commitment to the ZERO Accidents Culture. In FY2024, we dedicated our efforts to reducing overall traffic risks by enhancing pedestrian safety.

4. **Ensuring our standards are met by suppliers:** As part of our commitment to upholding high-quality materials and ethical practices, we conduct regular audits of our suppliers. In the reporting year, seven vendors, including three new ones, were audited, all of whom met our stringent standards for raw materials, packaging and environmental and social responsibility. We addressed all the audit findings in full.

Going Forward

We aim to identify cost-effective alternatives for material supply. Additionally, we plan to implement control measures to mitigate the impact of added complexities on our operational efficiency.

Inaugural Supplier Day

In 2024, our Malaysia operations made a significant stride towards building a sustainable supply chain by being the first Carlsberg Group entity to host an inaugural Supplier Day. The event fostered effective knowledge-sharing between us and our suppliers, enabling suppliers to better understand our sustainability goals.

Key Highlights

- Group discussions on Responsible Sourcing and Human Rights
- Sharing of insights by key speakers from UN Global Compact Network Academy, Capital Markets Malaysia (CMM), Sedex and Group Procurement
- A guided Brewery Tour, TTZAB showcase and networking dinner

64 suppliers attended the Supplier Day

Participants represented **25 companies**

13 suppliers signed up as Sedex members

17 suppliers signed up for the SEDG

ECONOMIC PRIORITIES

Inaugural Supplier Day

During the event, we emphasised the importance of responsible sourcing and human rights compliance, reminding suppliers to adhere to the Supplier and Licensee Code of Conduct. They were also encouraged to stay abreast of evolving local and international laws concerning labour and environmental issues.

The event featured knowledge-sharing sessions which included a presentation by Janna Dietrich, Senior Manager of Responsible Sourcing at Carlsberg Group, who highlighted responsible sourcing mechanisms and ESG disclosure standards. There were also case study presentations by the UN Global Compact Network Academy, demonstrating sustainable practices and highlighting the critical role of collaboration between companies and their supply chains in achieving common sustainability goals. Additionally, as a member of Sedex and an early adopter of the Securities Commission's CMM's Simplified ESG Disclosure Guide (SEDG), we encouraged the participating suppliers to enhance their ESG performance and sign up as Sedex members and adopt SEDG.

The participants responded with positive feedback about the event, describing it as an insightful learning experience about Carlsberg's sustainability framework and the Sedex initiative.

Feedback Highlights

"Great exposure to ESG principles and understanding of Carlsberg's ESG priorities."

"A well-organised event with knowledgeable and excellent speakers."

"A very insightful session for suppliers."

"Clear Carlsberg direction and very interactive meeting."

OUR JOURNEY TOWARDS NET ZERO

Global temperatures have been rising, with the past decade being the hottest on record compared to the pre-industrial era. In 2024, global temperatures surpassed the 1.5°C threshold above pre-industrial levels for the first time. Global warming, driven by human activities, has accelerated the effects of climate change, including sea level rise and increased rainfall intensity, which have disrupted both business operations and livelihoods.

At Carlsberg Malaysia Group, we recognise the urgency of global warming and the need for immediate climate action. Identifying climate-related risks and opportunities is critical for us to build resilience, ensuring long-term growth. We have embarked on our climate reporting journey through a phased approach since 2021, by aligning our disclosures with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In 2024, we enhanced our report by engaging an external consultant to assess our climate-related risks and opportunities, ensuring that **our disclosures are aligned with the International Financial Reporting Standards (IFRS) S2 (Climate-related Disclosures), which supersedes the TCFD framework**. This will enable us to make well-informed decisions while aligning with global climate reporting frameworks.

While we prioritise disclosures on climate-related risks and opportunities, we maintain alignment with the IFRS S1 (General Disclosures) for broader sustainability reporting, in accordance with the transition relief under the National Sustainability Reporting Framework (NSRF). This allows us to demonstrate our commitment to robust, globally recognised sustainability disclosures that support long-term business resilience while also ensuring regulatory compliance.

This climate report is aligned with the pillars of the IFRS – Governance, Strategy, Risk Management and Metrics & Targets. Our environmental initiatives and performance can be found in Water Use and Management (page 107 to 109) and Energy, Carbon and Waste Management (page 112 to 117).

GOVERNANCE

We remain guided by our Environmental Policy, Production Policy and Group Sourcing Policy, with climate change being the focal point of our TTZAB pillars. This is demonstrated through our commitment to ZERO Carbon Footprint, ZERO Packaging Waste, ZERO Water Waste and ZERO Farming Footprint.

Carlsberg Malaysia Group's Board of Directors (Board) oversees sustainability and climate-related matters that are significant to both the business and our stakeholders. These material issues were identified through a materiality assessment conducted in 2022 and further validated against Bursa Malaysia's Sustainability Reporting Guide (3rd edition) and the Sustainability Accounting Standards Board (SASB) industry standards in 2023. The material matters were reviewed and consolidated in 2024.

Our Board ensures that our operations and our businesses comply with regulatory requirements and uphold high standards of corporate governance to safeguard and enhance value for shareholders. To serve the best interests of our businesses, the Board takes an active role in overseeing key responsibilities, including reviewing our strategic plans, internal controls, sustainable business practices, risk management and succession planning.

With Directors from diverse backgrounds, skillsets and expertise, our Board is well-equipped to effectively carry out their duties.

By delegating specific tasks to committees such as the Audit Committee (AC), the Nomination & Remuneration Committee (NRC) and the Risk Management and Sustainability Committee (RMSC), our Board ensures focused attention on the most strategic and material business matters.

Climate-related risks and opportunities, along with other sustainability matters, are directly overseen at the Board level. Our Board is supported by the RMSC, which provides quarterly updates on the Company's sustainability strategy, performance objectives, major capital expenditures and sustainability- and climate-related remuneration.

To ensure sustainability is cascaded from top to bottom and integrated across the organisation, the sustainability agenda is incorporated into the Board's roles and responsibilities, and similarly, the Management Team's performance and remuneration are aligned with sustainability key performance indicators.

THE BOARD

is supported by the Risk Management and Sustainability Committee (RMSC), the Chief Sustainability Officer (CSO) and the Sustainability Steering Committee (SSC).

For information on our sustainability governance structure, refer to ESG Governance on page 81.

RMSC

- Responsible for the Company's financial and non-financial risks, including its overall risk management, internal controls and audit. It is headed by a Chairman and co-led by the Chief Financial Officer and the Corporate Affairs and Sustainability Director, who is also the CSO.
- Both the Head of Internal Audit and the Supply Chain Director have oversight of sustainability and climate-related risks and opportunities, including identifying climate-related risks and integrating those risks into the Company's risk mitigation strategy and management practices.
- Reviews the Company's sustainability policies, governance, strategies and approach to managing sustainability and climate-related risks. This involves overseeing scenario analysis capabilities for physical and transition risks, evaluating sustainability progress against targets and reporting on climate-related developments in both Malaysia and Singapore.

CSO

- Leads and steers the Company's sustainability strategy and the TTZAB programme, reporting directly to the Managing Director and the Chairman of the RMSC.
- Works closely with the Supply Chain Director to drive the Company's sustainability goal of accelerating decarbonisation throughout the value chain.
- Other members of the Management Team, including the Human Resources Director and the Legal and Compliance Director, share responsibility for overseeing sustainability matters related to labour and human rights, as well as anti-bribery and competition compliance.

SSC

- Established in 2023 and drives the Company's sustainability-focused initiatives.
- Co-led by Corporate Affairs and Sustainability and the ESG team.
- Comprises functional heads who are tasked with implementing the TTZAB priorities.
- Identifies climate-related risks, monitors and deliberates on the Company's climate risk management and mitigation strategies every quarter of the year.
- Keeps up to date about regulatory changes on sustainability and climate-related issues.

Both the RMSC and SSC recognise that transitioning to a low-carbon economy will take time and require careful trade-offs. To manage this, we have defined three phases for the transition: short, medium and long term, as defined in the Strategy pillar of this climate report.

We are committed to using our capital investments and brewing expertise to provide secure, reliable and affordable energy, while supporting the shift to sustainable long-term technologies.

The integration of TTZAB's six priorities and seven focus areas across our value chain has provided clarity in governance, integrated into our strategy and set clear metrics and targets for implementation. This approach has allowed us to take a comprehensive view of our decarbonisation efforts across both upstream and downstream operations, while continuously reassessing the climate-related risks and opportunities in our business.

STRATEGY

We are committed to enhancing our climate-related disclosures and fostering transparency to not only strengthen climate and business resilience but also improve our decision-making processes. In 2024, we engaged an external consultant to conduct a detailed assessment of our climate-related risks and opportunities for the fiscal year ending 31 December 2024, ensuring a comprehensive evaluation of both physical and transition risks while uncovering opportunities. These were assessed over the short, medium and long term.

Short term (< 5 years)	Medium term (5 – 10 years)	Long term (> 10 years)
Focuses on immediate actions and tactical decisions to address pressing climate-related risks and opportunities, ensuring operational resilience and compliance with near-term regulatory requirements.	Linked to strategic planning, including capital allocation for infrastructure investments, technological upgrades and the implementation of climate adaptation and mitigation strategies.	Aligned with our ambition of net zero carbon emissions throughout our value chain, addressing structural transformations and alignment with global climate targets and industry trends.

Strategy - Climate Risks and Opportunities Identification Process

We identified climate risk and opportunities by employing the following three key steps:

1 Climate Scenario Analysis (Broad Risk Assessment)

Conducted a climate risk assessment by evaluating potential physical and transition risks to our operations using projections based on the Representative Concentration Pathway's (RCP) climate scenarios by the UN's Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report. With a focus on water, electricity and raw material (barley malt), the analysis presented varying climate conditions that could impact our infrastructure resilience, enabling us to identify potential disruptions to energy consumption and assess both physical risks and transition risks. Best- and worst-case scenarios were also considered, with stringent climate policies potentially increasing transition risks, while limited climate action could heighten physical risks, enabling us to prepare for a range of potential climate impacts.

A regional-level peer review was conducted for areas where the IPCC data is limited due to its lack of granularity of the impact of climate change on specific regions. All policy assumptions in our analysis are related solely to Malaysian standards and macroeconomic trends, such as Malaysia's electricity and water tariffs, import tariffs for raw materials and inflation rates (average annual rate of 3.35% from 1973 to 2025)*.

**Source: Department of Statistics, Malaysia*

2 Regulatory Review (External Compliance and Risks)

Continuously monitor climate-related regulations to ensure compliance and minimise financial risks. This includes preparing for potential carbon taxes in Malaysia, although our operations in Malaysia are not currently subject to such taxes. Carbon tax implementation in 2026 is expected to initially impact industries like steel, iron and energy.

Additionally, we ensure alignment with sustainability reporting standards, such as IFRS S2 and Bursa Malaysia's Sustainability Reporting Guide (3rd Edition), to maintain transparency in our energy and carbon reduction efforts.

3 Stakeholder Engagement (Internal Response and Strategy)

Proactively engaging internal teams to integrate climate-related risks and opportunities into key business functions.

In Operations and Facilities, we identified potential vulnerabilities in brewery processes and implemented adaptive measures to mitigate climate risks. Within Supply Chain and Procurement, we evaluated potential raw material shortages and diversified sourcing strategies, while strengthening supplier engagement on sustainability and exploring alternative materials to ensure resilience. In Finance and Risk Management, we assessed the financial impacts of climate risks and incorporated them into financial planning and budgeting processes.

The assessment found that both physical and transition risks and opportunities are concentrated within our brewery and distribution operations in Shah Alam, Selangor. The brewery, warehouses and logistics infrastructure in Shah Alam are crucial for maintaining smooth production and efficient supply chain operations. These facilities are essential to the overall functioning of the business, meaning any risks to these areas could have significant impacts on production and the ability to deliver products. Based on the analysis, the brewery has low exposure to both physical and transition risks.

Physical Risks and Opportunities Assessment

Physical risks refer to potential acute and chronic impacts of climate-related events on businesses, infrastructure and operations. Acute physical risks are short-term, extreme weather events such as floods and heatwaves which can immediately damage facilities and disrupt supply chains.

Chronic physical risks are long-term gradual changes in climate patterns, such as rising sea levels, temperature increases and changes in precipitation patterns, affecting the long-term viability of assets, operations and business models.

We assessed our business operations' exposure to acute and chronic physical risks by considering the RCP2.6 and RCP8.5 climate scenarios.

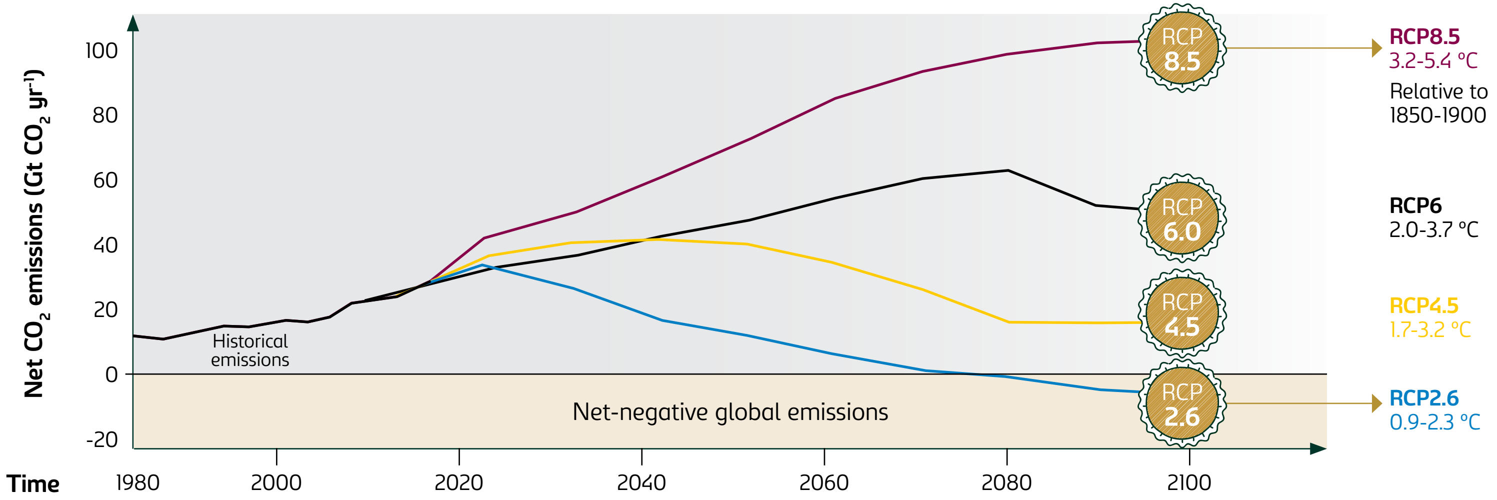
RCP8.5 was selected because it is the worst-case scenario and the most relevant pathway to benchmark all future climate predictions, enabling us to better build climate resilience and prepare for climate change. Its projected increase in carbon emissions aligns with the actual rise in global emissions over the past five years, in contrast to the RCP6.0.

Therefore, our primary focus is on climate-related physical risks, while transition risks are assessed on a case-by-case basis. Our climate-related scenario analysis was carried out during the 2023 reporting period.

Carlsberg Malaysia's Selected Climate Scenarios

RCP2.6	RCP8.5
An ambitious mitigation pathway where emissions decline sharply and even reach net-negative levels, limiting temperature rise to 0.9 – 2.3°C. **Assumptions under this scenario:** Strong climate policies, rapid decarbonisation and large scale of deployment of renewable energy and carbon capture technologies.	A high-emissions scenario with minimal mitigation efforts, leading to temperature increases between 3.2 – 5.4°C. **Assumptions under this scenario:** Continued fossil fuel dependence, rapid population growth and limited global efforts to curb emissions, resulting in severe climate impacts such as extreme weather events, rising sea levels and ecosystem disruptions.

Climate Scenario Analysis (RCP-Based Assessment)



Representative Concentration Pathways
Source: And Then There's Physics (2015)

Since Malaysia does not experience extreme weather events such as tropical typhoons, tornadoes or prolonged lethal heatwaves, we have identified Sea Level Rise (SLR), increased rainfall intensity and water scarcity as the three physical risks with the most significant impact on our business. The analysis concluded that the primary climate risk to our business is riverine and rainfall-driven flooding near the Shah Alam brewery. The plant, although elevated and protected, is only accessible by a road that is vulnerable to floods. In 2021, a flood incident temporarily stranded employees, but it did not result in any disruptions to our operations. While SLR and direct rainfall pose no threats and water scarcity risks are mitigated by groundwater purification investments, future heavy rainfall could still disrupt logistics.

Key Findings from the Physical Risks and Opportunities Assessment

Sea Level Rise (SLR)

We examined projections for SLR and maximum 1-day precipitation using the latest IPCC models (IPCC, 2021b). The IPCC report predicted that SLR will increase from 0.4 m to 1.1 m for the period 2081 to 2100. To evaluate property resilience, we adopted the median value of 0.7m as the SLR Value at Risk (VaR) perimeter. Similarly, projections for maximum 1-day precipitation show increases ranging from 6.7% to 46.6% for 2081 to 2100, relative to the 1995 to 2014 baseline. For a balanced risk assessment, we used 16.9%, the median value, as the precipitation VaR perimeter. Based on the analysis, our Shah Alam brewery is not considered to be at risk from rising sea levels even under potential future climate change scenarios, as it is located 14 meters* above sea level.

Figure 1: Sea Level Rise Change (SLR) forecasted range for the SSP5-8.5 worst case scenario in the South East Asia region

	Median (meters)	P5 | P95
Near Term (2021-2040)	0.1	0.0 | 0.2
Medium Term (2041-2060)	0.3	0.1 | 0.4
Long Term (2081-2100)	0.7	0.4 | 1.1

Source: IPCC WGI Interactive Atlas: Regional Information (n.d.)

Figure 2: Range of maximum 1-day precipitation for 2081 to 2100 for the South East Asia region

	Median (%)	P5 | P95
Near Term (2021-2040)	3.6	0.1 | 8.9
Medium Term (2041-2060)	6.6	1.8 | 20.3
Long Term (2081-2100)	16.9	6.7 | 46.6

Source: IPCC WGI Interactive Atlas: Regional Information (n.d.)

**Source: Estimation via Malaysia's Topographic Map.*

Increased Rainfall Intensity

Direct rainfall damage - Excessive rainfall can lead to water seepage into brewery buildings and storage facilities, potentially damaging equipment, raw materials and finished products. Based on site visits and historical records, there is no direct rainfall damage risk affecting our properties, as the brewery's infrastructure is designed to withstand excessive rainfall, with no recorded incidents of water seepage or damage to equipment, raw materials or finished products. As a result, there are no potential financial impacts related to direct rainfall damage.

Risk of Riverine/Rainfall-Driven Flooding – Heavy rainfall may cause flooding in surrounding areas, disrupting brewery operations, logistics and supply chain movements. While the Shah Alam brewery is not at risk of riverine flood and direct rainfall damage, the road leading to the plant is vulnerable to floods and the nearby Sungai Damansara is a concern if heavier rainfall occurs in the future. This was evident in the flood incident in 2021, which submerged the surrounding areas of the brewery for a few hours and temporarily affected the mobility of employees although the plant's assets, production or logistics operations were not damaged. While no similar flooding incidents have occurred since, the risk remains, as rainfall intensity is 16.9% based on the median likelihood increase under RCP8.5, possibly leading to similar disruptions, especially in the surrounding areas. As such, the study found that there is a need for us to implement internal emergency plans to manage the safety and security of our employees at the brewery should it flood again in the future.

Water Scarcity

In 2024, we used a total of 387,319 m^3 of water from Syabas municipal supply and 31,060 m^3 from tubewell groundwater, averaging about 1,146 m^3 per day. We have a water storage capacity of 1,500m^3, which would sustain our operations for a maximum of 1.5 days in the event of a disruption to the municipal water supply. Beyond this, our operations would rely solely on groundwater resources. The limited water resource is estimated to result in losses of about RM5 million per day inclusive of taxes. As a mitigation effort, we have invested RM8 million in groundwater purification between 2000 to 2021, which is sufficient to supply the brewery with 100% of its daily supply requirements. In addition, Kuala Lumpur, Malaysia has a low risk of drought, according to the IPCC's Sixth Assessment.

Transition Risks and Opportunities – Assessment and Findings

We conducted a transitional risk assessment at the organisational level by analsying the policy and legal, technology, market and reputation aspects. The Company is more vulnerable to the policy and legal as well as reputation categories than the technological and market aspects, which can be managed over the long-term basis as they do not currently pose significant concerns.

Policy and Legal

Assessment Conducted	Findings
Evaluated exposure to evolving environmental regulations, carbon pricing mechanisms and compliance requirements at both national and global levels, particularly regarding Malaysia's climate policies, carbon emissions reporting (IFRS S2), green electricity and water-use regulations.	Potential penalties on electricity usage, natural gas combustion and wastewater discharge, if failed to comply with any new regulations that will be imposed in near future.. Government regulations can change rapidly in a RCP2.6 scenario, whereby local institutions enact high penalties for pollution discharged to the environment. In 2024, the brewery consumed 14.9 GWh of electricity, amounting to a total cost of RM7.4 million. If Green Energy Tariffs (GET) were introduced by TNB, the electricity bill would increase by approximately RM596,500. However, the financial impact could be mitigated if we reallocate funds previously used for the i-REC mechanism for carbon offsets towards covering the GET costs, potentially making this transition less costly. Regarding natural gas emissions penalties, the exact costs and implementation timeline remain uncertain. However, using a rough estimate of RM15 per kg of CO_2, the 21,639,957 kWh of natural gas consumed in 2024 would generate 4,386 tCO_2e, resulting in an estimated RM65,787 in carbon taxes. It's important to note that any carbon tax in Malaysia will initially target high-emission industries, such as energy and steel manufacturing. These factors are considered medium-term risks. For wastewater, based on the water quality reports of the brewery's final effluent discharge, Carlsberg's wastewater is classified under Standard B, second highest quality of discharge. In 2024, the recorded effluent discharge is 228,000m³ and the estimated risk factor is approximately RM40,600 per year*. This is considered a short-term risk, as the Malaysian government is currently in the process of implementing this regulation. **Source: Federation of Malaysian Manufacturers Article on Implementation of Zero Discharge Policy by Lembaga Urus Air Selangor (LUAS)*

Technology

Assessment Conducted	Findings
Assessed our operations' readiness to adopt low-carbon brewing technologies, including the feasibility of energy-efficient upgrades, on-site renewable energy integration and carbon capture initiatives to align with decarbonisation goals.	We have consistently demonstrated a commitment to improving and upgrading our brewing infrastructure. This is evident from our brewery transformation projects that saw a capital expenditures of RM200 million in enhancing bottling and canning lines, along with installing high-precision filtration systems designed to optimise energy efficiency. Over the medium term, this investment will help maintain low operational emissions and safeguard the Company from significant technological risks. Additionally, as our core products are beverages, we are unlikely to face major disruptions from emerging technological innovations.

Market

Assessment Conducted	Findings
Analysed shifts in consumer and investor demand for sustainable products, assessing trends in eco-friendly packaging, carbon footprint reduction and responsible sourcing of raw materials.	We take concrete actions in sourcing for lower carbon footprint ingredients and in innovating our packaging to reduce carbon emissions. Carlsberg labels primary packaging were made greener when we switched the green inks to be to be Cradle to Cradle Certified™ at the Silver level for better recycling In 2024, over 95% of our bottles were collected from the trade for recycling, and the recycled content in our bottles and cans reached 60% and 50% respectively. In addition, we have also included 1664 bottles into the existing returnable bottle scheme in Peninsula Malaysia. Going forward, we will continue to be supporting efficient deposit return scheme and working with our suppliers to increase the recycled content in our packaging materials.

Reputation

Assessment Conducted	Findings
Reviewed potential impacts on our image and stakeholder trust in response to our sustainability commitments, including green product innovation, emissions reduction targets and alignment with global best practices in environmental stewardship.	Due to the nature of our business, we are perceived as a major user of water and exposed to the risk of water shortages in the medium to long term, as well as the risk of impacting water resources through wastewater. As such, we have taken a proactive approach by reprocessing our wastewater to ensure it meets regulatory requirements before it is released into natural water systems.

Climate Risk Impacts on Business Model, Strategy and Financial Performance

This section summarises the impacts of the physical and transition risks and opportunities on our business model, value chain and strategy. It highlights the mitigation efforts and outlines the effects on our financial position, performance and cash flows, both for the current reporting and in the future.

We are well-equipped to adapt to climate change across the short, medium and long term by leveraging on our strong financial resources, which allow for investments in sustainability initiatives such as renewable energy and carbon reduction technologies. We also have the ability to repurpose and upgrade existing assets, improving energy efficiency and adopting sustainable brewing practices to reduce our environmental footprint. Additionally, we are actively investing in climate resilience through energy-efficient technologies, renewable energy and water-saving initiatives, enhancing our ability to withstand physical risks like floods and furthering our sustainability goals. These actions and investments demonstrate our strong commitment and ability to adapt our operations and business model to effectively respond to the ongoing and future impacts of climate change.

In anticipation of increased regulatory pressure and a socio-cultural shift towards higher demand for climate-friendly products, we have taken several on-going and planned mitigation measures. These include sourcing solar power from a solar farm and upgrading natural gas boilers to biomass boilers. The feasibility of these measures will depend on several consideration factors in the aspects of financial, regulatory and communities we operate in. Climate-related initiatives are currently supported by internal funding derived from profits. We will continue to leverage internal resources to strengthen infrastructure resilience, improve energy efficiency and drive sustainability innovation.

Based on the current assessment, there are no significant risks of material adjustments to the carrying amounts of assets and liabilities in the upcoming annual reporting period. Furthermore, there are no immediate signs that extreme weather events will disrupt operations or impact asset values to the extent that would necessitate substantial adjustments in the short term. Likewise, all major transition risks have been effectively mitigated.

Climate Risk Impacts on Business Model, Strategy and Financial Performance

Physical Risk: Risk of Riverine/ Rainfall Driven Flooding

Short-term (<5 years) to Long-term (>10 years)

Current Effects

Frequent maintenance, higher repair costs and potential business interruptions

Anticipated Effects

- **Increased Climate-Related Risk Exposure:** Future flooding events may result in longer or more frequent disruptions to employee mobility. Supply chain and logistics could be impacted if transportation routes are affected.
- **Resource Allocation:** Currently, we have yet to allocate additional resources specifically for this climate-related risk, as flooding has not impacted the building itself, only the surrounding roads. However, in anticipation of potential future disruptions to employee mobility due to flooding, we plan to provide provisions of essentials.

Current and Anticipated Direct Mitigation Efforts

Current Direct Efforts:

Following the flood incident, no immediate mitigation efforts were undertaken by the Company as the affected areas were outside our jurisdiction and were managed by the town councils.

Anticipated Direct Efforts:

Ensure preparedness for employees who may be stranded at the facility, including provisions of essentials.

Current and Anticipated Indirect Mitigation Efforts

Anticipated Indirect Efforts:

Engage with government authorities to manage the flooding issue in the affected areas, as we are located near the Federal Highway.

Effects on financial position, financial performance and cash flow: The flood event in Shah Alam did not occur during the current reporting period; therefore, there was no direct impact on the Company's financial position, financial performance, or cash flow for this period.

Expected and Projected Changes in Financial Position Over the Short-, Medium- and Long-Term Based on Climate Strategy and Investment Plans

	Short-Term	Medium-Term	Long-Term
Expected Changes	• Allocate resources for infrastructure upgrades (e.g. drainage, flood-resistant buildings) to minimise disruptions and ensure employees' safety. • Increase operational costs for immediate preparation, including provisions of essentials.	• Invest in flood mitigation (e.g. flood barriers, collaboration with local authorities) to reduce risks and safeguard employees. • Higher capital expenditures, but reduced disruptions and easier management of employee needs during future events.	• Potential elevation of key facilities to mitigate flood risk and enhance operational continuity.
Projected Changes	• Increased operational expenses for flood risk management. • Potential revenue disruptions due to operational impacts and additional resource allocation for employee preparedness.	• Higher capital expenditures for flood mitigation, including improved facilities for employees' accommodation during floods. • Reduced operational disruptions leading to better cash flow stability and lower emergency costs for employees.	• Optimised resource allocation due to flood protection measures, reducing the need for employee preparedness. • Improved operational continuity, minimising future climate-related disruptions.

Transition Risk 1: Policy and Legal

Short-term (<5 years) to Long-term (>10 years)

Anticipated Effects

- Potential restrictions on natural gas combustion, via carbon tax, currently estimated to be RM15 per ton*. Minor cost on business model, estimated at RM65,787 per annum.
- Potential implementation of GET tariff on all industrial electricity use. Moderate cost on business model, estimated at RM596,500 per annum.

**Source: Based from the Emissions Trading Systems (ETS) from International Carbon Action Partnership, this estimated cost of RM15 is based on the anticipated risk when Malaysia deploys carbon tax, as currently in Singapore and Indonesia, these taxes exist already, thus the estimated cost takes into account the rates between Singapore and Indonesia as they are closest to us geographically.*

Current and Anticipated Direct Mitigation Efforts

Current Effects:

We are looking into enhancing the filtration treatment system to improve water quality further and recirculate some of our wastewater from our production back into the brewery.

Anticipated Efforts:

There is a plan to convert the natural gas boiler to a renewable energy boiler, within the next two years. All electricity usage in the brewery has already been accounted for as renewable via the I-REC system.

Current and Anticipated Indirect Mitigation Efforts

Current Effects:

We are also looking into separating the wastewater piping from the rainwater piping to reduce the amount of wastewater flowing into the drainage system.

Anticipated Effects:

Potential consideration of switching some processes currently relying on boiler-based heat to electricity-based heat, which will reduce combustion-related emissions. We may consider transitioning from the I-REC system to the local M-REC system to account for all electricity used as originating from a renewable source.

Expected and Projected Changes in Financial Position Over the Short, Medium and Long Term Based on Climate Strategy and Investment Plans

	Wastewater	Natural gas combustion	Electricity
Effects on financial position, financial performance and cash flow	Minor	Minor	The financial impact for the reporting period is included in the current accounting details.
Expected Changes	Financial impacts of the mitigation effects are yet to be finalised at the point of reporting, however, we do not anticipate any fines as the quality of our wastewater met the local regulations and standards set by the Local Department of Environment.	Over the short term, capital expenditure will go up as the new infrastructure is put in place. The financial impact will not be quantified once the project has materialised.	The shift from I-REC to M-REC should lead to a short-term negative effect financially.
Projected Changes	No projected changes in financial impact due to our climate strategy to address wastewater.	An early move away from natural gas usage will likely lead to improved financial performance in terms of fuel costs over the long term.	No major changes in cash flows are expected from the shift to the GET tariff and to M-REC.

Transition Risk 2: Technology

Medium-term (5-10 years) to long-term (>10 years)

Current Effects
No effect on business model and value chain

Anticipated Effects
Unlikely in the short term, given the recent investment in production upgrades in 2024 and the nature of the product.

Current Direct Mitigation Efforts:
We invested RM200 million to improve our production lines from 2022 to 2024.

Effects on financial position, financial performance and cash flow:
The investment in the production lines is expected to impact cash flow but not our profitability during the reporting period.

Transition Risk 3: Market

Medium-term (5-10 years) to long-term (>10 years)

Current Effects
No effect on business model and value chain

Anticipated Effects
High-level consideration to diversify product line-up.

Anticipated Direct Mitigation Efforts:
Investment in marketing campaigns.

Anticipated Indirect Mitigation Efforts:
Investment in product research and development.

Effects on financial position, financial performance and cash flow:
Not relevant and no project changes in financial performance and cash flow.

Transition Risk 4: Reputation

Medium-term (5-10 years) to long-term (>10 years)

Current Effects
No effect on business model and value chain

Anticipated Effects
Water usage by the Company may come into question in the long run if water shortage were to become a common occurrence in Malaysia.

Anticipated Direct Mitigation Efforts:
Ensuring alternative water sources such as tubewell groundwater, stored water for temporary usage up to 1.5 days and investing RM8 million in groundwater purification capacity.

Anticipated Indirect Mitigation Efforts:
More visibility on water saving initiatives should be prioritised.

Effects on financial position, financial performance and cash flow:
Not relevant and no project changes in financial performance and cash flow.

Based on our mitigation measures and low exposure to major climate events despite risk of flood-related transportation issues within the vicinity of our plant in Shah Alam, our operations site has high climate resilience due to our existing mitigation efforts and plans. However, the findings of our climate resilience assessment could be impacted by three key uncertainties, namely regulatory and policy changes, technological advancements and supply chain vulnerabilities, which involve raw material supply that is sourced locally and globally. Although the risk of raw material disruption is considered medium to long-term and does not necessitate an immediate reassessment of our strategy and business model, identifying the issue is crucial for informing future decision-making. We will continue to monitor and reassess these risks and revise our strategies to navigate evolving challenges and ensure long-term climate resilience.

JOURNEY TO NET ZERO IN THE BREWERY BY 2030

Carlsberg Malaysia

As part of our climate action, we aim to eliminate carbon emissions from our brewery by 2030, with a focus on two key strategies:

- Carbon neutrality
- Renewable energy

Decarbonisation Initiatives

Over the last 3 years of brewery transformation journey, we have implemented the following decarbonisation initiatives:

2022

- Invested **RM108 million** in the upgrading of our state-of-the-art bottling line to optimise energy usage and reduce waste management
- Achieved **zero waste** to landfill, thereby reducing our carbon emissions

2023

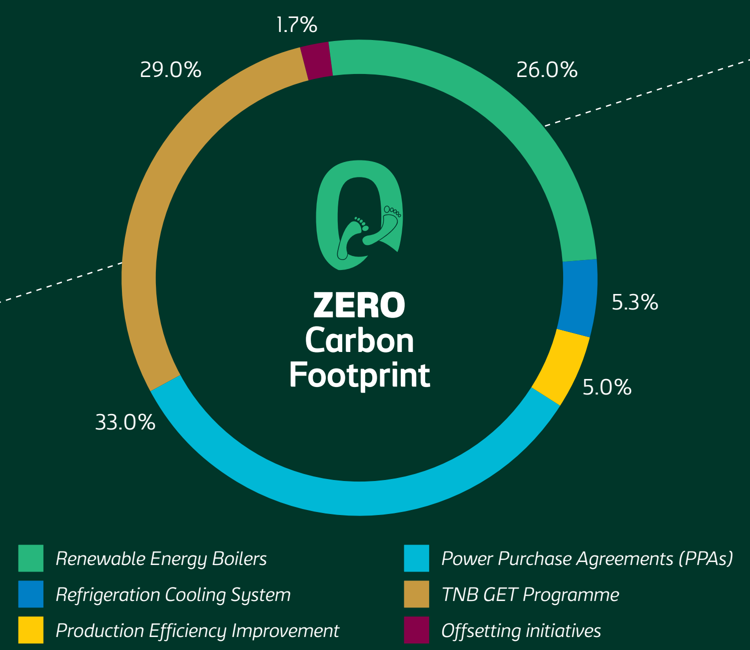
- Invested in a new **Cleaning in Place (CIP)** plant, which centralises the cleaning of our tanks, further enhancing energy efficiency
- Optimised our existing **groundwater purification** to utilise less energy.

2024

- Installed a RM11.6 million **new Beer Membrane Filtration System** to reduce energy usage in processing operations.
- Invested **RM80.4 million** for the upgrade of a new energy-efficient canning line.

Accelerating decarbonisation initiatives:

- Explore renewable energy boilers
- Purchase low-carbon electricity supply from TNB
- Carbon offsetting is considered a final measure only after all resources have been fully optimised to minimise emissions



GREENHOUSE GAS PROTOCOL

Net zero roadmap
Business as usual

2015 | 2022 | 2023 | 2024 | 2025 | 2030

RISK MANAGEMENT

We integrate climate-related risks and opportunities directly into our overall risk management framework to ensure long-term asset resilience and business continuity. In 2024, we undertook the following initiatives to enhance climate-related risk and opportunities:

Processes and Related Policies

Applying a robust process for identifying, assessing, prioritising and monitoring climate-related risks. Potential climate risks are reviewed regularly by the sustainability and risk management teams, ensuring alignment with Accelerate SAIL strategy.

Additionally, we have both preventative and adaptive measures for mitigating the effects of climate change. These processes are guided by Senior Management and supported by specialised climate risk committees to ensure preparedness for future challenges.

Prioritisation of Risks

Prioritising climate-related risks, in line with the National Sustainability Reporting Framework's (NSRF) transition relief, to ensure focused attention on climate-related risks and opportunities before broader sustainability issues. Using a tiered ranking system —high, medium, and low — the Company prioritises risks based on their potential financial impact and operational significance.

This approach ensures that resources are allocated to the most critical climate-related threats while retaining flexibility to address emerging risks as they arise.

Inputs and Parameters

Data Sources: Leveraging a range of trusted data sources to assess climate risks, including climate models from global organisations such as the IPCC and environmental reports from relevant industry bodies such as IFRS S2, GRI, and the GHG Protocol. Local data, including operational data on water usage, energy consumption, emissions and applicable local regulations, are also integrated into the assessments.

Scope of Operations: Focusing climate-related risk assessments on the manufacturing plant in Shah Alam, Malaysia, with particular attention to risks posed by extreme weather events such as flooding, water scarcity and relevant transition risks. The assessments included local supply chain and raw material sourcing as part of its overall risk management strategy.

Assessment of Nature, Likelihood and Magnitude of Risks

Employing a combination of qualitative and quantitative methods to assess the nature, likelihood and magnitude of climate-related risks for both physical and transition risks.

Qualitative Assessment: Engaging with stakeholders to evaluate risks such as reputational damage, regulatory changes (transition risk) along with physical risks like flooding that could disrupt operations.

Quantitative Assessment: Analysing the potential financial impacts of extreme weather events (physical risk) and supply chain disruptions due to regulatory and market changes (transition risk) using historical data, climate projections and scenario analysis to understand the magnitude of these risks.

Enhancements from Previous Reporting Period

Enhancing climate risk management processes by engaging an external consultant to provide a more precise and customised assessment of the Company's climate-related risks and opportunities, ensuring that the data is reliable and aligned with reporting standards.

This is crucial for effective risk management, enabling the Company to make well-informed decisions and maintain consistency with global climate reporting frameworks.

METRICS AND TARGETS

Monitoring and quantifying both direct and indirect carbon emissions allows us to actively manage our environmental impact as we work towards achieving net-zero carbon emissions across our entire value chain by 2040. In line with the Carlsberg Group's approach, our net-zero pathway aligns with the guidance by Science Based Targets initiative (SBTi), focusing on reducing emissions before addressing any remaining carbon through removal or offsetting measures.

Since 2022, we have been actively reporting our Scope 1 and 2 carbon emissions. In 2024, we began collecting data for Scope 3 carbon emissions and disclosed the emissions for Category 5 (Waste Generated in Operations), Category 6 (Business Travel) and Category 7 (Employee Commuting). We aim to expand the reporting of Scope 3 carbon emissions in the future by enhancing our data collection. Our goal is to reduce our value chain emissions per hectolitre (hundred litres or hl) of beer and beverages produced by 30% by 2030 from a 2015 baseline.

For more information about our carbon emissions and energy consumption, refer to Energy, Carbon and Waste Management from page 112 to 117.

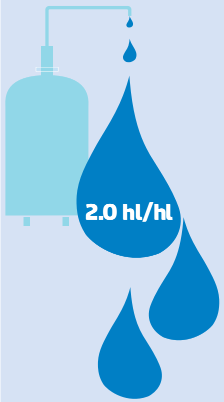
WATER USE AND MANAGEMENT

Stakeholder Groups Most Concerned
Government Agencies and Regulators; NGOs, Industry Groups and Local Communities; Consumers

6.3, 6.4 | 9.4 | 12.2, 12.4, 12.5

ZERO Water Waste

OUR COMMITMENTS



Water usage efficiency of 2.0 hectolitres per hectolitre of beer produced (hl/hl) by 2030

We are committed to responsible water stewardship and protecting natural water sources throughout our operations.

Optimising water intake to ensure the balancing of Air Selangor municipal supply and tube well water to maintain water efficiency.

Why It Is Important

Water stewardship and responsible management are central to our sustainability priorities. We recognise that water security is vital for our brewery operations amid global climate change concerns and natural resource depletion.

Our brewing excellence relies on managing water resources efficiently, measured through our Key Performance Indicator (KPI) of water usage per hectolitre (hl) of beer produced. As a shared resource, water availability can affect our brewery performance and community well-being. Our water supply is mainly from Air Selangor municipal supply and we ensure that all effluents are discharged responsibly according to the Department of Environment's guidelines and rules.

Building on this understanding, we are committed to implementing water recycling, reuse initiatives and effective water discharge treatment at our brewery.

Our Approach

Our approach to achieving the ZERO Water Waste target prioritises responsible water management, ensuring sustainable brewing operations, while safeguarding this vital resource for our future generations.

We manage water usage through robust Production and Environmental policies and guidelines, benchmarking our practices against industry standards. Our water management approach includes clear targets with focused activities and action plans.

ENVIRONMENTAL STEWARDSHIP

Progress/Achievements

In 2024, our water management enhancements focused on these key operational areas:

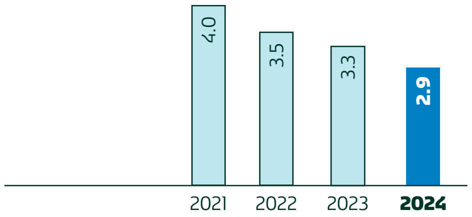
UTILITIES:
Optimised water intake efficiently through our primary source, Air Selangor municipal supply (80%), supplemented by tube well water (20%), ensuring minimal losses while maintaining cost efficiency.

BREWING AND PROCESSING:
Implemented a new state-of-the-art Beer Membrane Filtration System, resulting in a 26% reduction in water consumption within the Beer Processing area.

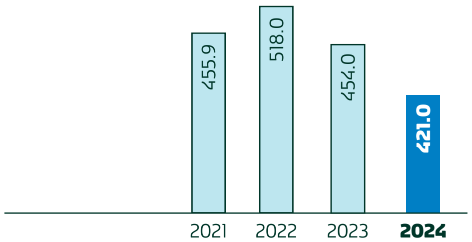
PACKAGING:
Commissioned a new canning line with advanced technology, achieving a 38% reduction in water usage during the last three months of operations.

In 2024, we achieved a water consumption of **2.9 hl** per hl of beer produced, surpassing our target of 3.0 hl/hl.

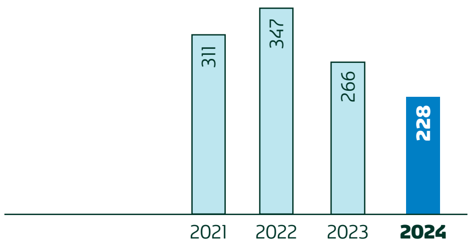
Water Usage (hl/hl)



Total Water Consumption (megalitres)



Total Volume of Water (Effluent) Discharge (megalitres)

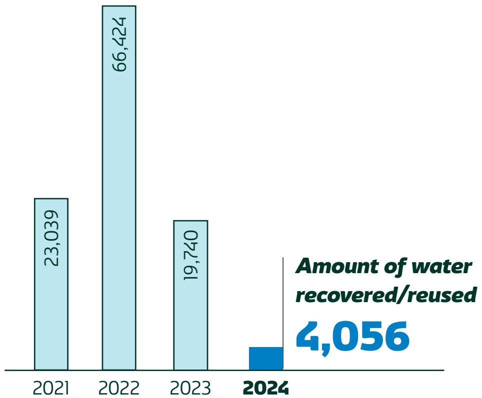


We achieved 2.9 hl/hl in our brewery operations, continuing our trend of improvement from previous years (2023: 3.3 hl/hl, 2022: 3.5 hl/hl, 2021: 4.0 hl/hl). Total water consumption reached 421.0 megalitres in 2024, representing our expanded reporting scope, which now includes Singapore's operations and all Sales depot locations. Our water efficiency metric (hl/hl) continues to focus on brewery production water usage, aligning with our Carlsberg Group reporting methodology for consistency in year-on-year performance comparison.

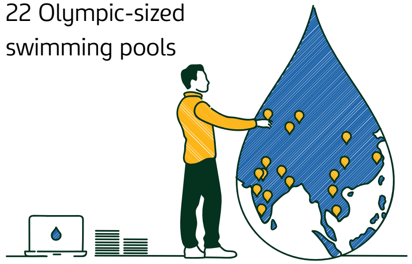
Our water usage reduction achievements stemmed from targeted optimisation across key operational areas. In Brewing and Processing, we enhanced the Cleaning in Place (CIP) processes, optimised ice water temperature controls to prevent surplus losses and implemented the One Tank process. Improvements in the Packaging area focused on optimising bottle washer final rinse pressure and eliminating freshwater usage in crate washing operations.

We strengthened our Water Treatment System by optimising filter backwash cycles to minimise water losses. The installation of our new Beer Membrane Filtration System improved water efficiency in production, while our modern canning line introduced air rinsing technology to replace water-based cleaning for empty cans, reducing water usage in the canning process.

Water Recovery and Reuse
Water Recovery and Reuse (m^3) from Reverse Osmosis (RO) Reject System



Achieved a
12%
reduction in water usage, improving our usage efficiency from 3.3 hl/hl in 2023 to 2.9 hl/hl in 2024, equivalent to saving the volume of 22 Olympic-sized swimming pools



Upgrading Our Infrastructure

Our state-of-the-art Beer Membrane Filtration System has reduced water usage in our filtration processes by 26%.

In 2024, we undertook two significant infrastructure upgrades that transformed our water efficiency programme. The first milestone was replacing our conventional Kieselguhr Filters with a state-of-the-art Beer Membrane Filtration System in our Beer Processing area. This advanced technology delivered immediate results, reducing water usage in our filtration processes by 26%.

Our second major investment saw us replacing our 30-year-old canning line with a high-speed and efficient system, featuring air rinsing technology. This new line eliminated the need for water-based cleaning and introduced an optimised conveyor lubrication system. Within the new canning line's first three months of operation, we achieved a 38% reduction in water consumption.

Implementing Water-Saving Initiatives

The Reverse Osmosis (RO) Reject System at our water treatment plant helps us to further optimise water savings.

Through an analysis of our operations in 2024, we identified and implemented multiple water-saving opportunities across our facility, including:

- Managing our water sourcing primarily through Air Selangor municipal water, complemented by limited tube well extraction. This approach minimised Reverse Osmosis processing requirements, while ensuring a reliable water supply for our operations.
- Upgrading our Water Treatment Plant by replacing the filter media to extend the intervals between backwash cycles, reducing water losses. Similar optimisation of our ammonia condenser and CIP procedures delivered greater efficiencies.
- Introducing the One Tank process in the fourth quarter of 2024, marking another step forward in our journey towards water efficiency.

Going Forward

Our operational improvements will continue to focus on eliminating water losses and enhancing water efficiency across our brewery. The One Tank process in Brewing and Processing, initiated in the fourth quarter of 2024, is expected to improve water efficiency by 2025. Our Beer Membrane Filtration System, commissioned in September 2024, will reduce water usage in brewing and processing operations.

The newly commissioned canning line demonstrates improved water performance, positioning it as a key driver for our water reduction KPI in 2025. We plan to conduct a detailed water usage analysis to optimise our bottling line, implementing machine-level and shift-level monitoring systems to enhance efficiency.

Our new centralised refrigeration system project, commencing in 2025, will integrate water optimisation through consolidated condensers to reduce water losses. While this 1.5-year project's benefits will materialise in subsequent years, it supports our journey towards achieving our 2030 target of 2.0 hl water usage per hl of beer produced. For 2025, we have set an interim target of 2.6 hl/hl, marking steady progress in our water reduction efforts.

SUSTAINABLE PACKAGING AND MATERIALS

Stakeholder Groups Most Concerned
Consumers; NGOs, Industry Groups and Local Communities; Customers

12.2, 12.5

ZERO Packaging Waste

OUR COMMITMENTS

100% recyclable, reusable or renewable packaging by 2030

90% collection and recycling rate for bottles by 2030

50% recycled content in bottles and cans

We are committed to advancing a circular economy through comprehensive reduce, reuse, recycle and rethink packaging initiatives that optimise resource utilisation and minimise waste.

Why It Is Important

Sustainable packaging and materials are fundamental to our environmental stewardship and business resilience, as they can significantly impact our resource consumption, waste generation and carbon emissions. To address these challenges, we focus on waste reduction and resource conservation throughout our value chain in Malaysia and Singapore, where packaging represents a substantial portion of our operational costs and environmental footprint.

In alignment with this commitment, we implemented comprehensive packaging improvements, including an increase in recycled content and enhanced recyclability across our product portfolio. These initiatives address growing environmental challenges while meeting evolving consumer expectations and regulatory requirements.

Our Approach

We are committed to achieving ZERO Packaging Waste by 2030 through comprehensive initiatives across our value chain. In this regard, we aim to ensure 100% of our packaging is recyclable, reusable or renewable and achieve a 90% collection and recycling rate for our bottles, both by 2030. We also aim to incorporate 50% recycled content in bottles and cans, contributing to our broader goal of achieving net zero carbon emissions across our value chain by 2040.

Furthermore, our sustainable packaging strategy aligns with UN SDG 12: Responsible Consumption and Production, focusing on waste reduction and resource optimisation, while strengthening our ESG performance and long-term brewing sustainability.

Progress/Achievements

Our packaging contains significant recycled content, with bottles and cans incorporating 60% and 58% recycled materials, respectively.

Through cooperation with vendors and trade partners, we continuously work to increase the recycled content in our packaging materials and encourage bottle returns.

In 2024, we expanded our returnable bottle scheme to include 1664 bottles. This further strengthened our goal of achieving a higher collection and recycling rate for our bottles in Peninsular Malaysia, which was at 95% in 2024.

Through our brand activations and sponsorship events, we collected and recycled 66,302,095 glass bottles and 649,930 kg of plastic, wood, aluminium and paper, while engaging consumers in creative bottle repurposing activities.

1664 Returnable Bottle Scheme

Commercial production of returned 1664 bottles successfully commenced in November 2024.

In 2024, we expanded our existing returnable bottle scheme across Peninsular Malaysia to include 1664 bottles and incentivised our trade partners through a fee-based return scheme.

The 1664 returnable bottle scheme showcased cross-departmental synergy across Supply Chain, Sales, Finance, Marketing, Quality Assurance and Corporate Affairs. These teams contributed significantly to various parts of the project, including feasibility studies, risk assessments, bottle collection, cleaning trials and sorting processes, crate design, bottle durability testing, production system modifications as well as trade communications.

Moving forward, we are confident that the inclusion of the 1664 bottles in the returnable bottle scheme will positively impact and increase our bottle collection and recycling rate throughout 2025.

95%

collection and recycling rate for bottles

We use Cradle-to-Cradle Certified™

environmentally friendly ink

on Carlsberg bottle labels to improve the recyclability of packaging

60% and 58%

recycled content in bottles and cans, respectively

100%

of the cans, corrugated boards, shrink wraps and stretch wraps disposed of in our brewery are recycled

Going Forward

We remain focused on enhancing our existing bottle return schemes throughout 2025. We will also be cooperating with the Singapore government to support the Beverage Container Return Scheme from 2026 onwards.

ENVIRONMENTAL STEWARDSHIP

ENERGY, CARBON AND WASTE MANAGEMENT

Stakeholder Groups Most Concerned
Government Agencies and Regulators; NGOs, Industry Groups and Local Communities; Investors; Employees

7.2 | 12.2, 12.4, 12.5 | 13.3 | 17.16

ZERO Carbon Footprint

OUR COMMITMENTS

2030
ZERO carbon emissions at our brewery by 2030

100% renewable electricity to power our brewery

Net ZERO carbon emissions across our entire value chain by 2040

2040

We are committed to enhancing energy efficiency, reducing carbon emissions and managing waste across our operations, distribution and value chain through investments in clean low-carbon technologies, renewable energy and responsible disposal practices, supported by employee education on waste reduction to deliver zero waste to landfills.

Our employees, whom we regard as our ZERO Heroes, are educated on proper waste segregation, empowering them to strive towards responsible waste management and fostering a culture of zero waste.

Why It Is Important

Climate change and environmental degradation directly impact our brewing operations and value chain sustainability. Our brewery's energy consumption, carbon emissions and waste generation significantly influence our operational costs, regulatory compliance and environmental footprint.

Climate-related disruptions affect agricultural yields, water availability and supply chain stability, while improper waste management strains natural resources and increases operational costs, affecting our brewing capabilities, product quality and business continuity.

Building on this understanding, we recognise our responsibility to achieve zero carbon emissions at our brewery by 2030 and net zero carbon emissions across our value chain by 2040. Our strategy focuses on investing in low-carbon technologies, renewable energy and responsible waste management practices, ensuring sustainable operations that benefit our business and the environment.

Our Approach

We actively implement measures to enhance energy efficiency, reduce carbon emissions and manage waste across our operations, guided by Carlsberg Malaysia's Environmental Policy and Guidelines. Our approach enables systematic 3R (Reduce, Reuse and Recycle) programmes to achieve our zero waste to landfill target, alongside initiatives to lower greenhouse gas (GHG) emissions, particularly methane (CH_4) and carbon dioxide (CO_2).

Furthermore, to ensure our commitment translates into measurable progress, we have set clear targets and action plans, regularly benchmarking our performance against Carlsberg Group and regional breweries in energy consumption, emissions management and sustainable waste practices.

Progress/Achievements

ENERGY AND CARBON

Energy Consumption

We utilise both non-renewable and renewable energy sources. Our non-renewable energy comprises natural gas, used for our brewery's boiler, and purchased electricity from the national grid for our offices in Malaysia and Singapore.

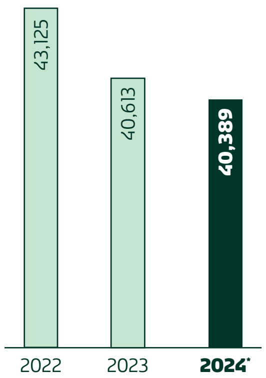
To optimise energy consumption, we improved thermal energy efficiency by enhancing the boiler and burner efficiency. This process seals off heat losses by improving the insulation method in our equipment and heat distribution system.

For renewable energy, we optimised biogas recovery from our wastewater treatment plant by improving biogas collection using new settlers and a methane chamber. Higher biogas recovery reduces natural gas usage and lowers GHG emissions.

TOTAL ENERGY CONSUMPTION

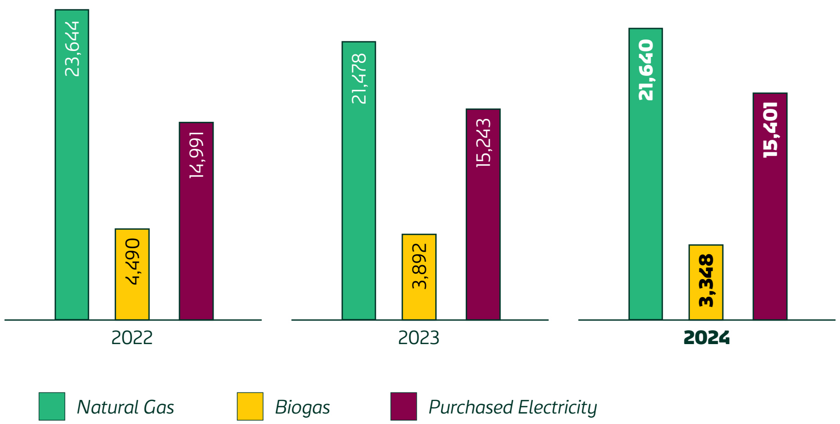
In 2024, we reduced our energy consumption by 224 MWh through improvements in boiler and burner efficiency, upgrades to the air compressor and ammonia condensing systems, as well as the installation of a more energy-efficient canning line and Beer Membrane Filtration System.

Total Energy Consumption (MWh)



**Data includes the electricity consumption of the Sales offices in Malaysia.*

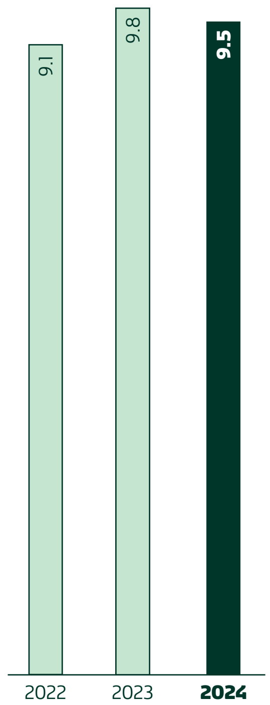
Fuel Consumption by Type (MWh)



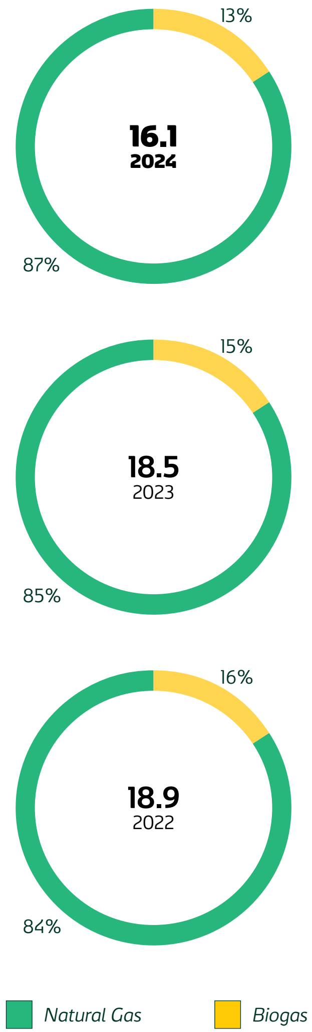
Brewery Electricity Intensity

In 2024, our brewery's electricity intensity decreased compared to 2023, driven by the optimisation of the cooling system during beer production.

Electricity Intensity (kWh/hl)



Thermal Energy Intensity (kWh/hl)



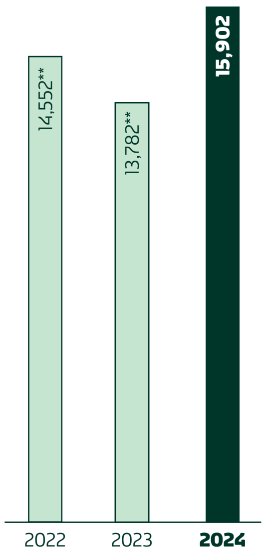
ENVIRONMENTAL STEWARDSHIP

Carbon Emissions

We aim to reduce our value chain emissions by 30% by 2030 and have begun collecting Scope 3 carbon emissions data to enhance the monitoring and management of our value chain's carbon footprint. In 2024, we enhanced our disclosures by including three categories of Scope 3 carbon emissions, namely Category 5 (Waste Generated in Operations), Category 6 (Business Travel) and Category 7 (Employee Commuting).

We monitor our carbon emissions by tracking our electricity and natural gas consumption, which are our key operational performance indicators.

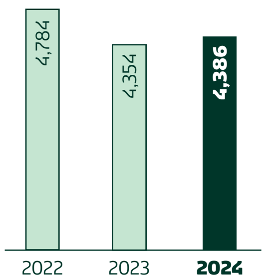
Total Carbon Emissions (tCO_2e)



Scope 1: Direct carbon emissions from sources owned or controlled by our operations.

In 2024, our Scope 1 carbon emissions were higher due to lower biogas gas consumption, which accounted for only 13% of our total gas consumption. Lower biogas consumption was partly due to lower volume impact and less extract / beer loss, leading to less Chemical Oxygen Demand load to the wastewater treatment plant and reduced biogas generation.

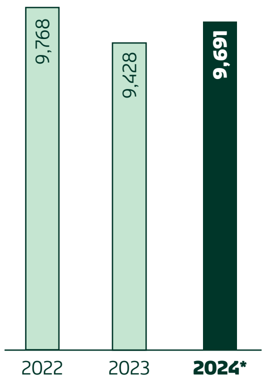
Carbon emissions from natural gas and biogas (tCO_2e)



Scope 2 (Location-based): Indirect carbon emissions from purchased electricity from the national grid.

We continued to purchase I-REC in 2024 to offset 100% of Carlsberg Malaysia production site carbon emissions.

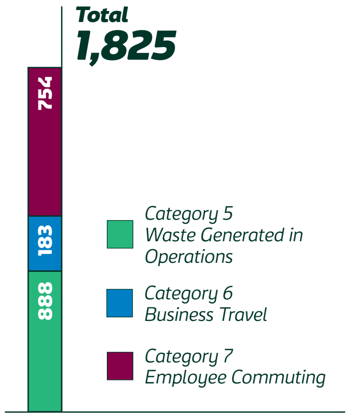
Carbon emissions from purchased electricity (tCO_2e)



Scope 3: Indirect carbon emissions from the value chain as a result of activities from assets not owned or controlled by our operations.

Our total Scope 3 carbon emissions for 2024 is 1,825 tCO_2e. The carbon emissions for Category 6 (Business Travel) include data from Singapore.

Indirect carbon emissions from the value chain (tCO_2e) for 2024



** Data includes carbon emissions from Carlsberg Malaysia production site and sales offices and Carlsberg Singapore office.*
***Carbon emissions for Scopes 1 and 2 in 2022 and 2023 have been restated due to changes in emission factors.*

Our ongoing efforts towards ZERO Carbon Footprint in our Malaysia operations

33%
reduction of value chain carbon emissions per hl of beer produced in 2022, exceeding our 2022 target of 15%

3%
reduction in total brewery emissions in 2024 compared to 2023 levels

ZERO use of coal
as we used natural gas and biogas from our wastewater treatment plant

ZERO waste to landfills
since November 2022

The following presents the proportion and reduction of GHG emissions from each stage of our product life cycle (2015–2022).

Our Malaysia Operations Value Chains

	Malaysia	
	Emissions share in 2022	Emissions change since 2015
Agriculture and Processing Growing and processing of our raw ingredients	24%	-44%
Breweries Production of our beer and beverages	9%	-54%
Packaging Manufacturing and disposal of our packaging	44%	-26%
Transport and Distribution Distribution of our products to customers	10%	-24%
Cooling Refrigeration of our products in bars and retail stores	13%	-16%
Overall change in relative value chain carbon emissions, 2015–2022	-33%	

Value Chain Carbon Emissions

Our carbon footprint analysis is aligned with the Greenhouse Gas (GHG) Protocol for Scope 1, 2 and 3 emissions. The data for the analysis is provided by Carlsberg Group in collaboration with Carbon Trust for measurement and tracking. The analysis covers key emission sources across the value chain, including agricultural sourcing, beverage production, packaging, distribution and cooling.

Although no assessments were undertaken in 2023 and 2024, the 33% reduction in our overall relative value chain carbon emissions from 2015 to 2022 reflects our ongoing commitment to low-carbon operations. This performance aligns with our long-term goal of achieving a 30% reduction in relative value chain carbon emissions by 2030. To this end, we will continue to implement initiatives across our operations to further reduce our carbon footprint and support the Carlsberg Group's global sustainability targets.

WASTE MANAGEMENT

We ensure efficient waste management through various initiatives to reduce the environmental impact of our operations. In 2024, we implemented the following initiatives:

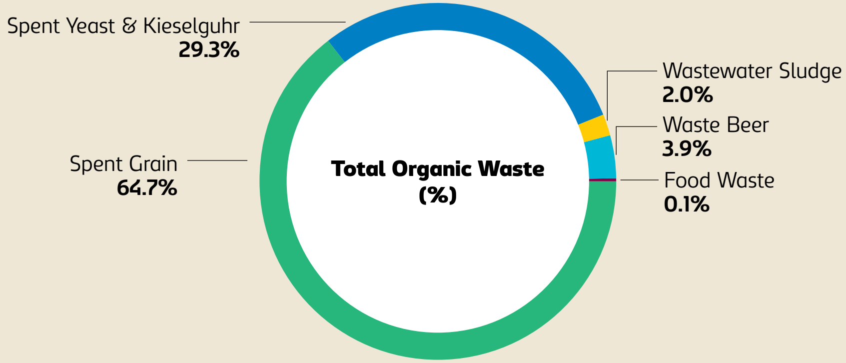
- We implemented comprehensive waste management protocols, ensuring all generated waste underwent rigorous recycling procedures and verification by certified collectors, maintaining zero waste to landfills across operations.
- In line with our Zero Waste to Landfill initiatives, we managed our by-product waste by repurposing spent grain into animal feed, working in collaboration with local farmers. In addition, we also convert food waste and wastewater sludge into agricultural compost.
- We optimised resource recovery by directing inorganic materials, including paper, plastic, glass cullet and aluminium, to certified recycling facilities for subsequent manufacturing operations.
- We enhanced energy resource recovery by converting waste beer and organic materials into biogas through anaerobic digestion processes to support sustainable fuel generation for boiler operations.
- We maximised thermal energy recovery by converting general waste and inorganic materials into fuel sources to support sustainable energy generation across operational processes.
- We integrated behavioural change initiatives, including the strategic removal of workplace waste bins, educational campaigns and comprehensive disposal mechanisms. Visual sustainability communication materials across operational areas guide employees on responsible waste segregation practices, supported by designated disposal stations and educational content on effective waste management.

ENVIRONMENTAL STEWARDSHIP

Through our waste management partners, our hazardous waste is disposed of responsibly, while non-hazardous waste is diverted from disposal. Our non-hazardous waste is segregated into organic and inorganic waste before they are sent to certified recycling facilities. Organic waste comprises food waste, sludge from the wastewater treatment plant, waste beer and brewery by-products, such as spent grain, spent yeast and kieselguhr. Inorganic waste comprises aluminium, plastic, glass, paper and corrugated boxes and metal. All waste generated by the Shah Alam brewery and office building is recycled, repurposed and recovered.

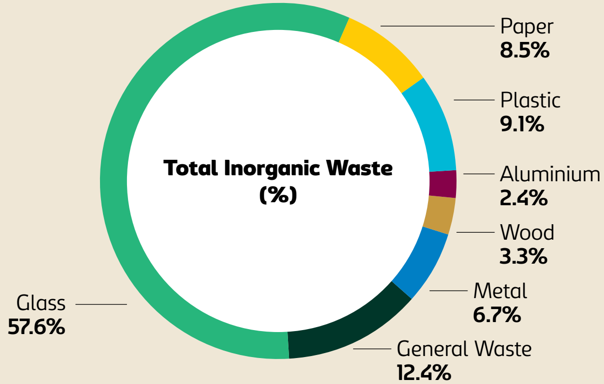
ORGANIC WASTE

Breakdown of Organic Waste Sent for Waste-to-Energy Recovery



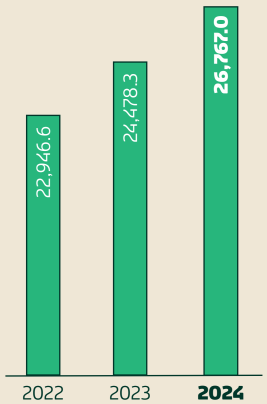
INORGANIC WASTE

Breakdown of Inorganic Waste Sent for Recycling and Repurposing

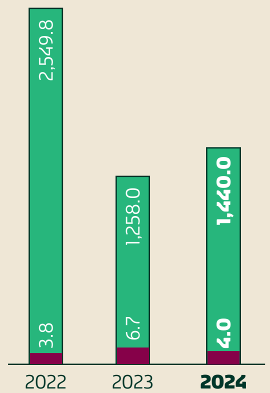


Waste Generated (tonnes)

Waste Diverted from Disposal (tonnes)



Waste Directed to Disposal (tonnes)



Transforming Brewery Waste Through Bioconversion

At our Malaysia operations, we are turning brewery by-products into valuable resources through the power of innovation and collaboration. Our partnership with Veolia since 2018 demonstrates how collaboration can drive innovative solutions for waste management. The partnership strengthened in 2024, following the installation of our new bottles and cans filling line, expanding our sustainable waste management capabilities.

Through this collaboration, we transformed brewery by-products, such as spent yeast, Brewery Spent Grain (BSG) and kieselguhr, into valuable resources using an innovative bioconversion process. These materials, which would typically end up in landfills, serve as feedstock for black soldier fly larvae. Veolia then converts these larvae into insect-based ingredients for animal feed, while the bioconversion by-product (frass) becomes agricultural fertiliser.

The success of this initiative earned us UN Global Compact Network Malaysia & Brunei's Partnership for the Goals recognition in 2024 during the Forward Faster Sustainability Awards 2023 event. This recognition validates our approach to sustainability through partnerships and circular economy principles.

This collaboration advances multiple UN SDGs, particularly SDG 12: Responsible Consumption and Production, SDG 13: Climate Action and SDG 17: Partnerships for the Goals. It exemplifies how industry partnerships can create sustainable solutions that benefit both business operations and environmental conservation.

Sustainable Outcomes

- High-quality **animal feed** production
- Agricultural **fertiliser** generation
- Comprehensive **waste traceability**

Going Forward

We will continue strengthening our efforts in energy efficiency, carbon reduction and waste management. Our focus will be on expanding the adoption of low-carbon technologies, increasing renewable energy usage and improving resource efficiency across operations.

We will also strengthen circular economy practices, ensuring that all waste streams, including brewery by-products, are repurposed into valuable resources. Additionally, we will enhance monitoring and reporting mechanisms to improve transparency in emissions and energy consumption.

SOCIAL COMMITMENTS

EMPLOYEE SAFETY, HEALTH AND WELLNESS

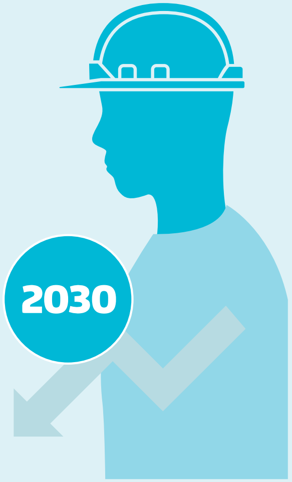
Stakeholder Groups Most Concerned
Employees; NGOs and Industry Groups

3 GOOD HEALTH AND WELL-BEING: 3.4, 3.6, 3.9
8 DECENT WORK AND ECONOMIC GROWTH: 8.8

ZERO Accidents Culture

OUR COMMITMENTS

ZERO Lost Time Accidents across all our locations, from the brewery to offices, by 2030



A year-on-year reduction in accident rates leading up to 2030

We are committed to providing a safe working environment and protecting employee health and well-being across all operations.

Why It Is Important

Creating an enriching and secure work environment remains fundamental to promoting excellence across our workforce. Beyond ensuring legal compliance and protecting our business performance, our robust safety practices mitigate operational risks and strengthen stakeholder confidence.

Our ZERO Accidents Culture prioritises the safety, health and well-being of every employee. This focus enhances productivity, minimises employee absences, decreases accident rates and strengthens our reputation, while ensuring compliance with safety regulations.

Our Approach

We maintain our focus on ensuring a safer today and tomorrow for our employees through our Health and Safety Policy, which aligns with the Carlsberg Group Health and Safety Standards.

We comply with the latest Occupational Safety and Health (Amendment) Act 2022, which has incorporated the Factories and Machinery Act 1967. Our Safety Management System in Singapore complies with the Workplace Safety and Health Act 2006. Our operations are certified under ISO 45001:2018 Occupational Health and Safety Management Systems.

Central to our philosophy is the fundamental belief that every accident is preventable and no organisational priority supersedes the value of human life. We emphasise proactive safety practices, encouraging all employees to report unsafe conditions or behaviours immediately. This culture of vigilance and shared responsibility reinforces our commitment to accident prevention through continuous monitoring and improvement.

We focus our health and safety strategy on four key priorities:

1. Step change in leadership to create a top-of-mind mentality
2. Life Saving Rules and zero fatalities enforcement
3. Risk exposure reduction programmes
4. Competency development and performance management

The health and safety team leads our safety agenda, focusing on developing safe work systems, reviewing programme effectiveness, analysing accident trends and maintaining workplace safety policies. Their responsibilities extend to recommending policy revisions when necessary.

Our global Health and Safety Policy applies to all personnel at our Malaysia and Singapore operations, both on-site and off-site locations. This includes contractors, suppliers and members of the public on our premises.

Our annual Health and Safety Day focuses on raising awareness and empowering our people to prioritise safety, reinforcing our ZERO Accidents Culture with an emphasis on Life Saving Rule #1: Always Follow Traffic Rules.

Our Health and Safety Standards comprise 18 guidelines that cover crucial aspects, including incident reporting, risk management, contractor management, occupational health and behaviour safety. These standards guide all operational aspects, from traffic management to machinery safeguarding:

- **Incident Reporting and Analysis**
- **Health and Safety Governance and Management**
- **Health and Safety Responsibility Guide**
- **Health and Safety Performance Management System (PMS) Standardisation**
- **Compliance to Health and Safety Laws and Standards**
- **Health and Safety Risk Management**
- **Management of Change**
- **Behaviour Safety Programme**
- **Signage Standardisation**
- **Contractor Management**
- **Management of Temporary Labour**
- **On-site Traffic Management Standard**
- **Lockout-Tagout Standard**
- **Machinery Safeguarding Standard**
- **Working at Height Standard**
- **Confined Space Entry Standard**
- **Permit to Work Standard**
- **Occupational Physical Health Standard**

Health and Safety Governance

Our Health, Safety, Security and Environment (HSSE) department, together with the Health and Safety Committee, implements programmes to enhance safety across the Group. This committee, featuring both management and employee representatives, develops safety rules and work systems, reviews programme effectiveness and recommends policy revisions. We conduct monthly reviews of the implementation of safety rules, systems and programmes to identify gaps and share the findings internally. We address the gaps by implementing Kaizen, an approach that fosters gradual improvement.

Safety Reporting System

Our safety reporting system empowers employees to raise concerns through multiple channels. In 2024, we received 6,874 reports on safety risks and unsafe behaviours from employees in Malaysia and Singapore. They are empowered to report unsafe conditions to their Line Managers and have the explicit right to withdraw from any situation they reasonably believe poses an immediate risk to their safety.

When incidents occur, our structured investigation process brings together a dedicated team comprising Health and Safety specialists, area owners and subject matter experts. This team applies a hierarchy of controls approach to determine effective corrective actions and prevent recurrences.

Occupational Health Services

Our occupational health services provide support through our in-house clinic and health monitoring programmes. Employees in high-risk roles, including forklift drivers and those working at height or in confined spaces, are required to go for medical assessments. Our health monitoring extends to regular assessments with detailed studies conducted to understand and mitigate potential health impacts.

In Singapore, we support responsible behaviour by providing company-funded valet services for employees who consume alcohol during business engagements, reinforcing our 'Don't Drink and Drive' policy.

Progress/Achievements

In 2024, our operations in Malaysia and Singapore strengthened safety integration. We delivered in-depth health and safety training to 542 employees across our Malaysia and Singapore operations through programmes designed to enhance safety awareness and practical skills.

Among the health and safety initiatives conducted were:

Annual Safety Day Event
Brought together employees to reinforce safety awareness and practices through hands-on demonstrations and interactive learning

Leadership Programme
Focused on strategic coaching to enhance safety leadership capabilities across all management levels

Life Saving Rules Espresso Shot Programme
Provided specialised safety training on critical procedures and protocols

Regional Quarterly Health and Safety Programme
Maintained consistent safety standards across operations

Health and Safety Hero Recognition Programme
Celebrated exemplary safety practices and leadership

Safety Walk and Behaviour Observation Programme
Conducted 3,850 safety walks throughout the year, demonstrating visible commitment to workplace safety

In Malaysia, we launched our Employee Assistance Programme, providing support services for employees and their families to address work and personal challenges. Our Singapore operations plan to implement this programme in 2025.

In Singapore, we:

- Installed awareness posters and reminder stickers to encourage everyone to hold the handrail while using the staircase.
- Marked 1,000 days of 'No Lost Time Accidents' in January 2024 by engaging the Singapore Association of the Visually Handicapped for a massage session for employees.

Raising Safety Awareness Through Interactive Learning

In June 2024, we held our first-ever TTZAB Programme & Safety Day in our Singapore operations, with an 85% employee participation rate (71 employees). The event featured two key activities: the Distracted Pedestrian and Distracted Driver simulations, which highlighted the dangers of using a phone while walking or driving, including slower reaction speed, reduced accuracy and increased risk of accidents. These activities aligned with Carlsberg Life Saving Rule #1: Always Follow Traffic Rules (on-site and on the road).

Carlsberg Singapore's first TTZAB Programme & Safety Day with an emphasis on Life Saving Rule #1: Always Follow Traffic Rules.

Our Health and Safety Performance

Our efforts in hazard identification and prevention involve systematic use of Life Saving Rules, learning from past incidents, analysing behaviour observation data and incorporating insights from risk assessments and workplace inspections.

In June 2024, our Canning Line Project reached a major safety milestone of 80,000 man-hours without any Lost Time Accidents (LTAs) for contractors. We achieved this through strict safety measures, including toolbox meetings during every shift, daily risk assessments and daily Permit to Work (PTW) checks. We also implemented additional precautions, such as weekly thematic toolbox talks, regular personal protective equipment (PPE) and tool inspections, health checks for those working at heights and strict procedures for critical lifting, minimising risks and maintaining a safe working environment.

We maintained zero fatalities across our Malaysia and Singapore operations. However, we recorded one work-related injury, which resulted in a 0.16 Lost Time Incident Rate (LTIR).

All injury rates are calculated based on 200,000 hours worked in line with international safety reporting standards.

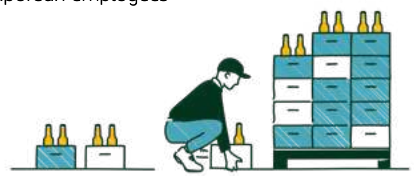
We treat every incident with utmost seriousness. All incidents are recorded and investigated thoroughly according to procedures, before they are presented to the regional and the Carlsberg Group health and safety teams. Injured workers are given appropriate recovery time before they return to work. To prevent future recurrences, we have reinforced our safety measures and continuously improved our Standard Operating Procedures (SOPs).

Zero
work-related fatalities in 2024

0.16
lost time incident rate

542
employees trained on health and safety standards (456 in Malaysia, 86 in Singapore)

6,874
reports on safety risks and unsafe behaviours submitted by Malaysian and Singaporean employees



3,850
safety walks conducted by Carlsberg leaders

1,533
consecutive days without any Lost Time Accidents in Carlsberg Singapore
(As of 31 December 2024)

Facility Upgrades to Reinforce Life Saving Rule #1

To ensure pedestrian safety in co-exist zones, where pedestrians and vehicles share a space, we have upgraded some of our facilities to reinforce Life Saving Rule #1: Always Follow Traffic Rules. This initiative focuses on implementing safety enhancements, including auto-gates, new pedestrian walkways and physical barriers in key areas to create a safer environment for pedestrian crossing, while reducing the risk of accidents in shared spaces. These safety enhancements were done across several key areas:

Production Office Driveway

Constructed new walkways with physical barriers at the production office area to separate pedestrian walkway from vehicle driveway

Car Park

Relocated the car park from the centre of the traffic zone to a safer location to prevent employees from walking into busy traffic zones

Walkway to Brewhouse

Installed anti-climb fencing along the brewhouse corridor to clearly separate the pedestrian walkways from vehicle driveways

Traffic Light

Installed a pedestrian-activated traffic light to regulate the movement of people, forklifts and trucks at the crossing between the supply chain building and canteen

Material Store

Installed a hydraulic swing gate that stops pedestrians from crossing when forklifts or vehicles are moving

Corridor

Designated a staging zone with flexible barriers for operators to place their items to be collected by forklifts and transported to the waste yard. This approach keeps the forklifts outside the packaging hall, enhancing workplace safety

New walkways with physical barriers.

Pedestrian-activated traffic light.

Going Forward

We remain dedicated to strengthening our leadership coaching capabilities and enhancing safe behaviours, while adhering strictly to our Life Saving Rules.

Our focus remains on identifying and addressing workplace hazards through systematic risk assessments and workplace inspections. We will further enhance our safety protocols through improved Standard Operating Procedures, particularly in high-risk areas such as working platforms, trench work and traffic management zones.

Health and safety competency development will continue through our detailed training programmes, ensuring all employees and non-employees are equipped with the knowledge and skills to maintain a safe working environment. We will maintain our systematic approach to incident investigation and prevention, using insights gained to continually improve our safety management system.

DIVERSITY, EQUITY AND INCLUSION AND TALENT DEVELOPMENT

Stakeholder Groups Most Concerned
Employees; NGOs, Industry Groups and Local Communities; Government Agencies and Regulators; Investors

3.4 | 5.1, 5.5 | 8.5, 8.6

We prioritise building a workforce that reflects our employees' diversity and developing skilled teams through extensive talent development programmes, establishing these as fundamental priorities that shape how we operate and grow.

We continue to strengthen our commitment to brew a better today and tomorrow by embedding our Growth Culture at the heart of everything we do. These principles drive our strategies to cultivate a high-performance culture, foster transformation, champion DE&I, and empower our people to realise their full potential through robust talent development initiatives.

Why It Is Important

We recognise that our success depends on both creating an inclusive workplace and developing talents. Diversity, Equity and Inclusion (DE&I) combined with strong talent development form the foundation of our organisational strength and future growth.

We acknowledge that promoting DE&I in the workplace fosters dynamic talent and business growth, enabling us to build robust succession pipelines at all levels. Among the benefits is the ability to develop people leaders who set the tone for openness and transparency while embracing new ideas and ways of thinking, creating an environment where talents can thrive and reach their full potential. On the contrary, a lack of diversity at management level can lead to narrow strategic focus and even a poor understanding of diverse customer needs, leading to missed opportunities and potentially impacting our reputation.

Our Approach

Our strategy integrates diversity and talent development through interconnected frameworks that support individual growth and organisational success.

DIVERSITY, EQUITY AND INCLUSION

CARLSBERG LEADERSHIP EXPECTATIONS

DELIVER TODAY **DRIVE HIGH PERFORMANCE**	TAKE CARE OF TOMORROW **HEALTHY, THRIVING ORGANISATIONS**	TAKE CARE OF TOMORROW **DEVELOPING OUR PEOPLE**

Our People Strategy is built on three key pillars: Driving High Performance, Healthy and Thriving Organisations, and Developing Our People. At the heart of a Healthy, Thriving Organisation is Diversity, Equity and Inclusion (DE&I), where we embrace diversity, drive equity and foster an inclusive culture. As we embed the Growth Culture to support our Accelerate SAIL strategy, we are guided by five Growth Culture Principles (GCP) to shape the right behaviours. Through GCP #2 - 'We foster an environment of positive energy and compassion', we reinforce our DE&I agenda, aligning with Carlsberg DE&I pillars.

DIVERSITY & INCLUSION POLICY

For more information on our GCP in Management Discussion and Analysis — Winning Culture, please refer to page 64.

We celebrate all major festivals nationwide with our employees, including the Harvest Festival, to honour a diverse workforce.

DE&I

'DIVERSITY ALONE DOES NOT DRIVE INCLUSION'

BUSINESS PRIORITY
Our DE&I agenda is leader-owned and part of our **Leadership Expectations.**

DIVERSE REPRESENTATION
Getting the gender balance right will pave the way for more diverse representation.

EQUAL OPPORTUNITIES
Equal access to opportunities, based on transparency, trust and fairness. Zero tolerance for discriminatory behaviours and harassments.

INCLUSIVE CULTURE
Inclusive leadership behaviours are the foundation for an **inclusive culture and a global mindset**. Everyone should feel that they can bring their true selves to work.

Our journey reflects thoughtful progression. From 2021 to 2022, we focused on raising awareness and developing leadership capabilities. In 2023, our priorities were to integrate DE&I as a fundamental value for our employees, with an **increased emphasis on Equity and driving DE&I beyond our organisation**. By 2024, our approach had evolved to place greater emphasis on emotional and psychological safety, while we continue expanding initiatives beyond our organisational boundaries.

TALENT DEVELOPMENT

Our talent development strategy centres on the Carlsberg Global Talent Management Framework of KNOW GROW FLOW. This approach aligns with our GCP, particularly GCP #5: 'We empower, support and grow our people to reach their full potential'.

The three key pillars of Carlsberg's overarching People Strategy — Drive High Performance, Healthy, Thriving Organisations and Developing Our People — serve as critical enablers to Accelerate SAIL, underpinned by our GCP. Beyond talent development, our GCP fuel innovation, champion inclusivity and create a workplace where everyone can thrive and reach their full potential.

CARLSBERG GLOBAL TALENT MANAGEMENT FRAMEWORK

KNOW	Knowing the capabilities of our people
GROW	Strengthening their development and accelerating growth
FLOW	Advancing the careers of our talents across the Carlsberg Group to strengthen our leadership pipeline

Our development offerings are guided by the Carlsberg Learning Principles of 70/20/10. This proven methodology maximises learning effectiveness by leveraging diverse approaches, where development primarily comes from experiential learning (70%), followed by exposure-based development (20%) and formal education (10%). This balanced approach ensures expansive development through practical experience, collaborative learning and structured training programmes.

We strengthen leadership capabilities through the Carlsberg Leadership Suite, seamlessly integrating the 70/20/10 learning model into our development programmes. By combining experiential assignments, collaborative group discussions and facilitator-led training, we create a dynamic, engaging and sustainable growth journey for our employees.

Our GCP #5 amplifies our commitment to talent development. Through the Carlsberg Global Talent Management Framework of KNOW GROW FLOW, we equip our people with the capabilities to excel, build resilience, drive meaningful engagement and improve talent retention, while ensuring a strong leadership pipeline.

Progress/Achievements

Throughout 2024, our DE&I journey reached significant milestones, driven by strategic initiatives that fostered deeper engagement among employees. The launch of our Employee Assistance Programme enhanced employee well-being support, while seven Open Forum sessions created new pathways for dialogue. These forums promoted psychological safety and workplace improvement through voluntary cross-functional participation, encouraging broader perspectives and open feedback.

DE&I JOURNEY

Business Priority

- Reviewed and set DE&I 2024 Objectives and Metrics
- Maintained continuous tracking with regular updates to Leadership Team

Diverse Representation

- Launched Open Forum platform with seven sessions
- Advanced DE&I agenda through partnership with LeadWomen*
- Shared our #SmallActsofInclusion at Leadwomen's APAC DE&I Summit
- Introduced Relocation Allowance for East Malaysians to support relocation and settling-in expenses for new hires from Sabah and Sarawak
- Expanded our impact beyond organisational boundaries through knowledge-sharing sessions with organisations, such as AirAsia and Beiersdorf
- Created visibility of diverse Carlsberg Ambassadors via career fairs and talks, social media postings and Employee Value Proposition events, such as 'A Day @ Carlsberg' and 'Carlsberg Connect'

Championing Inclusivity Through LeadWomen

We regularly participate in LeadWomen's Equality@Work Corporate Community quarterly roundtables, in line with our commitment as a signatory of the Women's Empowerment Principles (WEPs) since 2022, enhancing our DE&I practices through peer learning and knowledge sharing. In October 2024, we joined industry leaders as pioneer members in pledging to the ASEAN DE&I Collective at the LeadWomen APAC DE&I Summit, themed 'Humanity Rebalanced'. The summit provided us with a platform to share our #SmallActsofInclusion initiatives, particularly our 'Jom! Breakfast with Leaders' programmes, in building an inclusive culture at all organisational levels.

*****LeadWomen** *is appointed by UN Women as the Malaysian partner for the WEPs programmes to drive greater representation and inclusivity.*

Talent Outreach and Engagement Highlights

Building on the success of our DE&I journey in the organisation, we strengthened our employer brand through strategic outreach initiatives. Our Carlsberg Ambassadors actively connected with potential talents at career fairs hosted by Talentbank, Sunway University and INTI Nilai University. Additionally, our signature events — 'A Day @ Carlsberg' and 'Carlsberg Connect' — offered immersive experiences for students. 'A Day @ Carlsberg' provided an interactive glimpse into life at Carlsberg Malaysia, featuring bootcamps and market visits to showcase our culture and career opportunities. Meanwhile, 'Carlsberg Connect' fostered meaningful conversations between young talents and business leaders in an informal setting, encouraging open discussions on career aspirations and industry insights.

Equal Opportunities

- Continued driving internal moves (as and when there were job openings)
- Partnered with Enabling Academy to provide job opportunities for neurodivergent individuals
- Enhanced Flexible Benefits (Flex-Ben) to include Kiddocare professional babysitting services
- Strengthened commitment to equal opportunities by maintaining a focus on internal mobility:
  - Communicated career opportunities weekly.
  - Gave monthly updates on the ratio of internal moves to external hires.
- Featured success stories on the intranet to inspire career development.

Advancing Inclusion with Enabling Academy

In our journey to create meaningful employment opportunities for all, our partnership with Enabling Academy reached a significant milestone in November 2024 with the hiring of our first neurodivergent colleague in the Finance Department. This initiative included extensive job coaching workshops for hiring managers, team members and HR Business Partners, equipping them with the knowledge and skills to support our new colleague's integration into the team, culture and Company.

The pilot programme marks our first step in a broader commitment to neurodivergent inclusion. Working closely with Enabling Academy, we aim to expand opportunities across different departments, while ensuring appropriate job matches and support systems.

Inclusive Culture

- Enhanced Flex-Ben with babysitting services and expanded parental leave policies
- Launched CERRA Recognition Programme facilitating widespread cross-functional appreciation
- Implemented Inclusive Leadership programme for people leaders
- Extended 'Jom! Breakfast with Stefano' to 'Jom! Breakfast with Leaders'
- Launched Employee Assistance Programme to support our employees' emotional and psychological well-being.
- Celebrated diversity through major cultural festivals and observances, including:
  - International Women's Day
  - International Men's Day
  - All major festive celebrations
- Kicked off our quarterly Supply Chain town halls with dual sessions to accommodate shift employees working on varied schedules, ensuring that employees across all categories stays informed of company updates and brand initiatives
- Rolled out the preventing Harassment at the Workplace refresher course for our employees and third-party agencies' Brand Promoters

Carlsberg Singapore celebrated International Women's Day by embracing equity and inspiring inclusion.

TALENT DEVELOPMENT

We made significant strides in talent development through our **KNOW GROW FLOW** framework in 2024:

KNOW

Through half-yearly Talent Sessions with the Malaysia and Singapore Leadership Teams and Functional People Boards, we maintained clear visibility of talent capabilities across all organisational levels. With talent review and succession planning processes, we gained a clear view of our talent pool, enabling us to accelerate their growth and prepare them for future succession opportunities.

GROW

Under our development framework, we designed and delivered programmes that strengthened capabilities at every level of the organisation.

For individual contributors, the programmes are designed to address key development needs, such as strengthening functional expertise, enhancing problem-solving abilities and keeping them abreast of the latest advancements. These initiatives ensure employees have the foundational skills and knowledge necessary for their current responsibilities and long-term career progression.

Among the leadership programmes conducted were Workplace Effectiveness with Emotional Intelligence, Unconscious Bias and Leading with Purpose. Additionally, LinkedIn Learning licences provided virtual on-demand learning access, empowering employees to take charge of their own development journey.

For people leaders, the Carlsberg Leadership Suite emphasised advanced capability building and leadership development, equipping them with the tools to effectively inspire, manage and grow their teams, creating an environment aligned with Carlsberg's strategic goals and high-performing culture.

With the aim of building strengths and unlocking potential, the **Carlsberg Leadership Suite** delivers comprehensive Leadership and Enabling Skills Development Programmes. Key highlights include:

- **'Leaders as Coaches':** Focused on coaching skills reinforcement to equip people leaders with enhanced coaching capabilities.
- **'Leading Others' Programme:** Designed to prepare new and emerging people leaders with essential Carlsberg leadership capabilities.
- **'Multipliers, How the Best Leaders Ignite Everyone's Intelligence':** Focused on strengthening leadership skills in empowering and building teams.
- **'Crucial Conversations for Mastering Dialogues':** Enhanced working relationships and communication by strengthening skills for navigating difficult conversations and improving stakeholder management.
- **The Monthly Learning Bites:** Delivered through an innovative approach, these bite-sized sessions provided employees with easy access to practical tools to navigate workplace challenges, foster collaboration, promote DE&I, support well-being and accelerate career growth.

GROW

We enhanced the effectiveness of our development initiatives by adopting the 70/20/10 Learning Principles, integrating 70% experiential learning, 20% learning through exposure and 10% formal education.

70% EXPERIENCE		20% EXPOSURE		10% EDUCATION	
Short-Term Assignment (STA)	Project lead	Coaching	Work shadowing	Leadership Academy	Functional learning
Long-Term Assignment (LTA)	Project contributor	Networking	Sponsoring	Carlsberg Leadership Suite	Virtual classes
Stretched assignments	Job rotation	Mentoring	Conference speaker	E-learning	Certifications
Interim roles	Deputising	Executive exposure	Voluntary work	Self-directed learning	External classes/seminars

FLOW

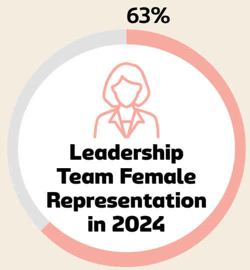
Career development thrived through active facilitation of internal mobility within markets and talent exchange opportunities across the Carlsberg Group through regional and global assignments.

In Malaysia and Singapore, we actively promoted career mobility through:
- Internal role transitions across functions and levels
- Leadership opportunities in key projects
- Structured job rotation programmes that deepened business understanding
- Hands-on learning experiences that expanded professional capabilities

Across the broader Carlsberg Group, we facilitated development through:
- Regional and global assignments that accelerated career growth
- International exposure that developed global business perspectives
- Cultural exchange experiences that enhanced market understanding and leadership capabilities

RESULTS

DIVERSITY, EQUITY AND INCLUSION



Gender Diversity and Leadership

In Malaysia, our transformation journey in leadership composition remained strong, maintaining a 63% female representation in our Leadership Team since 2020, marking significant progress from 25% in 2016. We enhanced gender diversity throughout the organisation, achieving a 1% increase in our total female population and a corresponding 2% growth in female managers and senior positions compared to 2023.

The Singapore operations demonstrated positive progress in gender diversity, with female representation at 57% of the Leadership Team. Additionally , they enhanced gender diversity with a 3.5% increase in total female population compared to 2023.

Inclusive Development and Succession

Our commitment to inclusive development was reflected in our Malaysia talent pipeline, where 46% of Leadership Development Programme participants were women or from ethnically under-represented groups. Notably, 42% of succession candidates for critical roles were women, demonstrating our progress in building a diverse leadership pipeline.

To strengthen workplace inclusion beyond gender representation, our Singapore operations conducted MBTI (Myers-Briggs Type Indicator) workshops across all departments. These sessions enhanced understanding of personality differences, leading to more effective collaboration and communication. This initiative created an environment where employees felt psychologically safe to express themselves and contribute fully to the organisation.

Recruitment and Equal Opportunities

We also strengthened our inclusive recruitment practices in Malaysia, with 70% of pre-screened candidates and 64% of hiring manager interviewees being women or from under-represented ethnic backgrounds. Our commitment extended to employee referrals, where 41% of new hires referred by employees were women. Importantly, we maintained our commitment to gender-equal pay based on market benchmarks.

TALENT DEVELOPMENT

Training and Development Impact 2024

We are pleased to share that in 2024, 551* Carlsberg Malaysia employees completed a total of 21,851 hours of training, averaging at 40 hours per employee. In Carlsberg Singapore, 80* employees completed a total of 2,346 hours of learning, averaging at 29 hours per employee.

**excluding temporary staff*

Talent Development Milestones

Over the course of the last three years, we have achieved:

Malaysia	2022	2023	2024
Key Talent Retention (%)	96	98	**97**
Average Learning Hours per Employee	33	38	**40**

Singapore	2022	2023	2024
Key Talent Retention (%)	100	100	**96**
Average Learning Hours per Employee	12	19	**29**

Going Forward

Our DE&I influence will expand through broader workplace inclusion programmes, while strengthening emotional and psychological safety in the workplace. This includes tailoring specific initiatives for Supply Chain operations and maintaining sustained efforts in advancing DE&I initiatives.

In tandem, we will continue strengthening our KNOW GROW FLOW initiatives while innovating our capability building approach. The embedding of GCP will guide both our DE&I progress and talent development initiatives, ensuring alignment across all aspects of our People Strategy. Through maintaining a healthy succession pipeline and enhancing talent retention, we aim to strengthen our position as an employer of choice, attracting and developing diverse talent.

COMMUNITY, SOCIAL IMPACT AND INVESTMENT

Stakeholder Groups Most Concerned
NGOs, Industry Groups and Local Communities

4.1, 4.3 | 13.3

We are committed to pursuing shared economic value across our operational locations as we recognise our impact on the local communities and wider society.

Managing Director of Carlsberg Malaysia, Stefano Clini presenting a mock cheque to UTAR Hospital, marking a significant step in our community engagement by extending our support beyond vernacular schools.

Why It Is Important

Creating lasting positive impacts on our communities stands at the heart of our mission of brewing for a better today and tomorrow. This commitment aligns with the UN Sustainable Development Goals (UN SDGs), reflecting our dedication to sustainable development and social responsibility.

Our Approach

Our community initiatives are governed by our Board of Directors and Managing Director, who maintain oversight of our sustainability and ESG strategy.

Established in 1987, our flagship Top Ten Charity Campaign (Top Ten) serves as a fundraising platform for school infrastructure development, including facilities and equipment. The programme has evolved to encompass both educational support and environmental awareness, reflecting our integrated approach to community investment.

Progress/Achievements

"As a pioneer in fundraising for education, Top Ten not only performs outstandingly in Peninsular Malaysia, but has extended its influence to Sabah and Sarawak," said YB Tuan Wong Kah Woh, Deputy Minister from the Ministry of Education.

Carlsberg Malaysia's Top Ten Charity Campaign

Raised:
RM587 million
over 37 years

Benefitted:
696
beneficiaries in Malaysia

Top Ten continued to make an impact in supporting education and community development across Malaysia. In 2024, it surpassed its initial target of RM17.4 million, collecting RM19.5 million for 12 beneficiaries. Themed 'Championing Education Today for a Greener Tomorrow', the campaign expanded beyond vernacular schools to include the Federation of Chinese Associations Malaysia (Huazong), Hospital Universiti Tunku Abdul Rahman (UTAR Hospital) and three schools in Sabah and Sarawak, strengthening inclusivity and outreach.

The campaign supports UN SDG 4: Quality Education and SDG 13: Climate Action, integrating sustainability into education to inspire future generations towards social responsibility and sustainable practices, while equipping them with the knowledge and skills to drive positive environmental change.

Since its inception, Top Ten has supported vernacular education in Malaysia by improving school infrastructure, educational resources and programmes. In line with global sustainability priorities, the campaign has since expanded to incorporate climate change awareness, reinforcing our long-term commitment to education and environmental stewardship.

In total, Top Ten has raised RM587 million over 37 years, impacting 696 beneficiaries across Malaysia.

SOCIAL COMMITMENTS

A key highlight of the campaign was the introduction of the Top Ten Green Club in 2024, a sustainability-driven initiative designed to engage students in recycling and environmental responsibility. This initiative will be carried out as co-curricular activities in participating schools to support eco-friendly projects, fostering a culture of environmental stewardship. This evolution has brought about tangible impacts via the following initiatives:

SJKC Tsun Jin, Kuala Lumpur, launched its Green Campus Development Programme to cultivate environmental awareness among teachers, students and the community, creating a sustainable school.

SJKC Thai Hong, Johor, engaged students in environmental conservation efforts through activities such as resource recycling and vegetable planting.

SJKC True Light, Penang, participated in the PET bottle recycling competition for the first time and successfully collected 1,006 kg of PET bottles.

The Top Ten Green Club programme supported schools in leading sustainability efforts by focusing on recycling and climate change awareness, helping students to develop a sense of environmental responsibility. In 2024, the participating schools achieved notable milestones:

- SJKC Wee Sin, Johor, achieved the Sustainable School Showcase certification by creating eco-friendly landmarks using recycled materials and planting over 100 plants in used bottles. The school also implemented water purification initiatives by releasing over 300 enzyme balls into the Muar River in Johor. Additionally, it saved 1,329.74 kCO_2e through water and electricity conservation efforts and recycling activities. Looking ahead, the school plans to build a greenhouse in 2025 to grow economically valuable crops.
- SJKC Tsun Jin, Kuala Lumpur, earned the Sustainable School Showcase certification for implementing a range of green initiatives, including tree planting, waste sorting and water conservation systems. The school also installed eco-friendly air-conditioning, water-saving devices and battery recycling systems, adopted paperless operations and introduced a 'Clean Plate Campaign' to reduce food waste.
- SJKC Kundang, Rawang, engaged its community through eco-design competitions and an Eco-friendly Lion Head Parade, which travelled through Kundang New Village, uniting students, parents and the local community in its sustainability efforts.

Going Forward

We will remain focused on strengthening our positive influence across educational and environmental domains. Plans include deepening the integration of sustainability practices through the Top Ten platform. We will also continue partnership development with educational institutions and environmental organisations, alongside enhanced measurement of community investment impacts.

This approach reinforces our position as a socially responsible corporate citizen, while meeting the evolving expectations of stakeholders who increasingly value companies that actively support social and environmental causes.

PREVENTING HARMFUL USE OF ALCOHOL

Stakeholder Groups Most Concerned
Consumers; NGOs, Industry Groups and Local Communities; Government Agencies and Regulators

3.5 | 17.16, 17.17

ZERO Irresponsible Drinking

OUR COMMITMENTS

Build partnerships to support responsible consumption by 2030

100%
Responsible drinking messaging in our packaging and brand activations by 2030

100%
Availability of alcohol-free brews in our markets and at our activations by 2030

Why It Is Important

Our commitment to preventing harmful alcohol use fulfils our corporate accountability and commitment to a safer drinking culture. Our mission extends beyond brewing great beer, as we are committed to promoting responsible consumption.

We continue to champion this important cause through our **#CELEBRATE**RESPONSIBLY campaign, the flagship initiative of our ZERO Irresponsible Drinking programme. Our collaborations with the International Alliance for Responsible Drinking (IARD) and the Singapore Alliance for Responsible Drinking (SARD) enable us to create progress in responsible drinking advocacy.

Carlsberg Singapore is a founding member of the Singapore Beer Industry Association (SBIA), a non-profit organisation that represents and advocates for the beer industry in Singapore. As part of its commitment to responsible drinking and industry growth, we contributed to SBIA's 2024 whitepaper, which explores the beer industry's impact on economic growth, social progress and environmental sustainability. The whitepaper provides insights for policymakers to support a balanced and thriving beer industry.

As part of our long-term commitment to offering alternatives, we maintain a diverse portfolio of Alcohol-Free Brews (AFBs) across Malaysia and Singapore. Our range of Carlsberg 0.0 Pilsner, Carlsberg 0.0 Wheat, Somersby Apple 0.0 and the limited-edition Somersby Mandarin Orange 0.0 continues to provide consumers with positive and liberating choices whenever they prefer non-alcoholic options. Our AFBs also provide us with the opportunity to generate new revenue streams.

Our Approach

Our Responsible Drinking Policy sets the foundation for our commitments, establishing clear guidelines for alcohol consumption in the workplace while defining specific responsibilities for our employees. The policy includes detailed guidelines and disciplinary measures, which may extend to dismissal for gross misconduct, all within the framework of applicable labour laws.

We have developed standardised communication guidelines across all our touchpoints. These include clear advisories about drinking and driving prevention, **#CELEBRATE**RESPONSIBLY messaging and age restrictions for alcohol consumption (21 years and above in Malaysia, 18 years and above in Singapore).

Progress/Achievements

For Carlsberg Malaysia, 2024 has been a year of notable progress for responsible drinking advocacy through our employee ambassador programme and the extension of the **#CELEBRATE**RESPONSIBLY campaign to our distributors' workforce nationwide.

Employee Ambassadors

Our employees led our responsible drinking initiatives through direct consumer engagement on the ground, focusing on three vital messages:

- Educating consumers about Malaysia's 0.05% and Singapore's 0.08% legal blood alcohol content (BAC) limit.
- Championing our 'Don't Drink and Drive' campaign.
- Amplifying **#CELEBRATE**RESPONSIBLY through physical and digital channels.

Most importantly, our employees ensured that our message reached the right audience by verifying consumers were of legal purchasing age: 21 years and above and non-Muslim in Malaysia and 18 years and above in Singapore.

SOCIAL COMMITMENTS

#CELEBRATERESPONSIBLY

A notable accomplishment of our annual responsible drinking campaign in 2024 was successfully engaging over 93% of our distributors to join our **#CELEBRATE**RESPONSIBLY pledge and 260 distributor staff to attend briefings and e-learning. We equipped them with handheld breathalysers, empowering them to promote responsible consumption in the field. We also successfully reached out to 10,635 individuals through the following consumer-facing events, such as brewery visits which attracted 5,955 participants.

#CELEBRATERESPONSIBLY

Brewery Visits:
5,955
participants

#CELEBRATERESPONSIBLY
Activations:
4,420
participants

Distributors Pledged:
260
individuals

Total Reach:
10,635
individuals

- At Sunset by Neon — made a significant impact, attracting concertgoers through responsible drinking messages on Instagram stories
- At the Pinkfish festival, Sunway Lagoon, Kuala Lumpur
- At the Rainforest World Music Festival, Kuching, Sarawak
- At Connor's **X** Midnight Live, REXKL, Kuala Lumpur

0.0 Grab and Foodpanda Collaborations

In 2024, we strengthened our responsible drinking message through collaborations with food delivery platforms Foodpanda and Grab in Singapore to amplify our reach through innovative initiatives:

- Our partnership with Grab included using branded vehicles to display 0.0 messaging and promoting dine-in deals with GrabCar rides to encourage responsible consumption. The partnership also extended to a Liverpool Football Club (LFC) campaign during football season, which incentivised consumers through a stamp card challenge offering limited-edition LFC scarves.
- Our collaboration with Foodpanda featured exclusive premiums, such as colour-changing cups with 0.0 product purchases and rider engagement activities through the Foodpanda Rider's Hub activation. The partnership also included advertisement placements on delivery bags to raise awareness about responsible drinking among other drivers. In addition, a three-way collaboration with 7-Eleven and Foodpanda offered special promotions through Foodpanda Shops.

Hands-on Awareness

Our brewery visits in the Shah Alam office and production facilities have become effective educational opportunities, with our Brewery Visit Manager actively encouraging BAC testing among visitors. This hands-on approach has proven effective in demonstrating the importance of knowing and adhering to the 0.05% BAC limit in Malaysia.

Product Innovation and PlayMade Partnership

In Singapore, the strategic launch of Somersby 0.0 in December 2023 positioned our alcohol-free offering for the 2024 Chinese New Year festivities. Our partnership with PlayMade, a bubble tea chain, further reinforced our commitment to responsible consumption by offering compelling alternatives beyond beer for occasions where alcohol-free options are preferred.

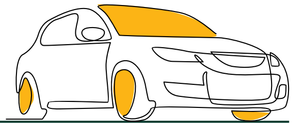
Cheers Partnership with Carlsberg Singapore

Our partnership with Singaporean convenience store chain Cheers focused on raising awareness of non-alcoholic offerings. The collaboration featured prominent visibility elements, including chiller decals, headers above chillers and large-format branding at store entrances. This initiative successfully highlighted our Carlsberg 0.0, Somersby 0.0 and Jolly Shandy products.

3
of our brews are alcohol-free

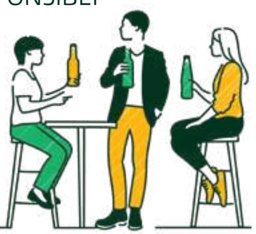
100%
of our products in Malaysia and Singapore carry the Responsible Drinking messaging and age restriction labelling

Partnerships
with e-hailing and chauffeur-on-call service providers to prevent drink-driving



Engagement with
10,635
Malaysian consumers through **#CELEBRATE**RESPONSIBLY activations in 2024 (+42% vs 2023)

260
distributor staff pledged to **#CELEBRATE**RESPONSIBLY and educated on the legally permitted national BAC level of 0.05%



5,955
brewery visitors tested their BAC levels

Going Forward

Our commitment to promoting responsible drinking will continue to grow stronger. We are expanding our focus on low-alcohol options and AFBs, strengthening partnerships and enhancing our consumer education initiatives, particularly around BAC awareness and anti-drink-driving campaigns.

Success in this mission requires collaboration. We continue to work closely with all our stakeholders, including consumers, Non-Governmental Organisations, industry groups, local communities and regulatory bodies, to create lasting positive change. Together, we are not just promoting responsible drinking, but also consistent responsible drinking practices.

Our journey towards ZERO Irresponsible Drinking continues, driven by innovation in our approach, dedication to our message and commitment to our community's well-being. Through education, engagement and empowerment, we will continue our long-term commitment to responsible drinking.

Our alcohol-free brews (AFBs), such as Somersby Apple 0.0, provide consumers with positive and liberating choices when non-alcoholic options are preferred.

HUMAN RIGHTS AND LABOUR STANDARDS

Stakeholder Groups Most Concerned
NGOs, Industry Groups and Local Communities; Government Agencies and Regulators; Consumers

8.8

We uphold human rights as an integral obligation across our operations and throughout our value chain. This responsibility requires vigilant monitoring to identify potential human rights concerns and the implementation of effective processes to address and prevent violations.

Why It Is Important

Human rights stand at the core of our operations, extending beyond basic compliance to embody our fundamental principles. This commitment shapes our interactions across the value chain, with employees, contractors, suppliers and stakeholders, ensuring dignity and respect for all and reinforcing our position as a responsible brewer.

Our Approach

Our human rights management is governed by the Code of Ethics and Conduct, Human Rights Policy and Supplier Code of Conduct.

In addition, our Speak Up Manual provides confidential channels for reporting violations.

Our Human Rights and Labour Practices are aligned with global best practices, such as the UN Guiding Principles on Business and Human Rights. This enables our operations to uphold non-discrimination, zero tolerance for forced labour, child protection, freedom of association and collective bargaining, anti-harassment, fair working hours, competitive benefits and wages and a safe and healthy work environment. As a signatory of the UN Global Compact (UNGC), we affirm our dedication to upholding the Ten Principles, which define our support for human rights.

For more information on Our Communication on Progress in implementing the Ten Principles of the UNGC, please refer to GRI & SASB Content Index on page 255.

SOCIAL COMMITMENTS

Progress/Achievements

In 2024, there were zero substantiated complaints concerning human rights violations reported in our operations and supply chain.

We made progress in strengthening our human rights practices through the following:

Enhancing Supplier Engagement

- Successfully hosted our Supplier Day, engaging 64 suppliers from 25 companies to emphasise the importance of human rights compliance. The group discussions on human rights improved collaboration and allowed us the opportunity to share strategic goals and align on mutual objectives.
- Enhanced supplier monitoring through Sedex membership adoption, a global data collection service that support supply chain sustainability.

For more information on the Carlsberg Malaysia Supplier Day, please refer to Responsible Supply Chain Management and Responsible Sourcing on pages 88 to 90.

Auditing Human Rights and Labour Practices

Carlsberg Group Internal Audit conducted a Human Rights audit across Carlsberg Malaysia to evaluate key policies, compliance measures and employee well-being initiatives. The audit received an overall Satisfactory rating, reflecting our commitment to upholding human rights principles and strengthening labour standards across our operations.

Strengthening Human and Labour Rights in the Workplace

Notable progress includes reinforcing human rights awareness through dedicated training sessions to deepen employees' understanding and foster a fair, respectful workplace. Additionally, we strengthened engagement among shift employees through extra Town Hall sessions — creating a platform for open communication and ensuring they stay informed about workplace rights, benefits and company updates.

Key Focus Areas

- **Strengthening leadership and engagement** by accelerating leadership development and fostering open communication through initiatives such as open forums and increased awareness of the Speak Up channel.
- **Fostering an inclusive and empowering workplace for brand promoters** by mandating third-party brand promoter agencies to conduct briefings on Preventing Harassment and Bullying before brand the promoters commence work, ensuring a safe, respectful and supportive workplace for all.
- **Upholding a fair and competitive compensation approach** by reviewing and refining remuneration frameworks periodically to ensure transparency and equity.
- **Enhancing talent acquisition** by integrating digital recruitment into our current process to ensure that hiring decisions are made based on merit.

Going Forward

We are expanding our monitoring systems, strengthening training programmes and deepening supplier engagement on responsible sourcing practices. These efforts reinforce our commitment to building a workplace culture that upholds fundamental human rights principles.

BURSA MALAYSIA'S ESG PERFORMANCE DATA TABLE

The table below contains the common and sector-specific sustainability indicators as required by Bursa Malaysia's Sustainability Reporting Guide (3rd Edition), and is presented in the prescribed format as shown in the Bursa Malaysia's Illustrative Sustainability Report. This reflects our unwavering commitment to providing our stakeholders with the most reliable and up-to-date information, ensuring our sustainability performance are best reported to our knowledge.

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Director	Percentage	100.00	85.00	100.00
Manager to Senior Manager	Percentage	97.00	94.00	100.00
Executive to Assistant Manager	Percentage	93.00	92.00	98.00
Non-Executive	Percentage	32.00 *	46.00 *	52.00
Contingent Worker	Percentage	0.00	0.00	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	629,200.00	1,839,270.00	1,837,388.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1	10	12
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Director Generation Z	Percentage	0.00	0.00	0.00
Director Millennials	Percentage	64.00	62.00	62.00
Director Generation X	Percentage	29.00	38.00	38.00
Director Baby Boomer	Percentage	7.00	0.00	0.00

Internal assurance | External assurance | No assurance | (*)Restated

* *Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category under Non-Executive for 2022 and 2023 have been restated due to removal of contract employees from this category.*

BURSA MALAYSIA'S ESG PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2022	2023	2024
Manager to Senior Manager Generation Z	Percentage	0.00	0.00	1.00
Manager to Senior Manager Millennials	Percentage	74.00	69.00	72.00
Manager to Senior Manager Generation X	Percentage	22.00	27.00	24.00
Manager to Senior Manager Baby Boomer	Percentage	4.00	4.00	3.00
Executive to Assistant Manager Generation Z	Percentage	16.00	17.00	20.00
Executive to Assistant Manager Millennials	Percentage	66.00	66.00	64.00
Executive to Assistant Manager Generation X	Percentage	15.00	15.00	15.00
Executive to Assistant Manager Baby Boomer	Percentage	3.00	2.00	1.00
Non-Executive Generation Z	Percentage	4.00 *	2.00 *	2.00
Non-Executive Millennials	Percentage	56.00 *	60.00 *	63.00
Non-Executive Generation X	Percentage	34.00 *	34.00 *	35.00
Non-Executive Baby Boomer	Percentage	6.00 *	4.00 *	0.00
Contingent Worker Generation Z	Percentage	1.00 *	3.00 *	2.00
Contingent Worker Millennials	Percentage	49.00 *	52.00 *	51.00
Contingent Worker Generation X	Percentage	35.00 *	33.00 *	34.00
Contingent Worker Baby Boomer	Percentage	15.00 *	12.00 *	13.00
Gender Group by Employee Category				
Director Male	Percentage	43.00	38.00	38.00
Director Female	Percentage	57.00	62.00	62.00
Manager to Senior Manager Male	Percentage	65.00	61.00	56.00
Manager to Senior Manager Female	Percentage	35.00	39.00	44.00

Internal assurance | External assurance | No assurance | (*)Restated

* *Bursa C3(a) Percentage of employees by gender and age group, for each employee category under Non-Executive Generation Z, Non-Executive Millennials, Non-Executive Generation X and Non-Executive Boomer for 2022 and 2023 have been restated due to removal of contract employees from this category. As for the Contingent Worker category across all age groups, this is not restated data as this employee category is a new addition to this year's report. However, due to limitations within the Bursa LINK ESG Platform, we are unable to remove the restated label.*

BURSA MALAYSIA'S ESG PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2022	2023	2024
Executive to Assistant Manager Male	Percentage	70.00	68.00	67.00
Executive to Assistant Manager Female	Percentage	30.00	32.00	33.00
Non-Executive Male	Percentage	93.00 *	92.00 *	93.00
Non-Executive Female	Percentage	7.00 *	8.00 *	7.00
Contingent Worker Male	Percentage	6.00 *	5.00 *	5.00
Contingent Worker Female	Percentage	94.00 *	95.00 *	95.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	60.00	60.00	60.00
Female	Percentage	40.00	40.00	40.00
Generation Z	Percentage	0.00	0.00	0.00
Millennial	Percentage	0.00	0.00	0.00
Generation X	Percentage	60.00	60.00	60.00
Baby Boomer	Percentage	40.00	40.00	40.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	43,125.00 *	40,613.00 *	40,389.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.37 *	0.16
Bursa C5(c) Number of employees trained on health and safety standards	Number	265	535	542
Bursa 3(a) Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Percentage	100.00	100.00	100.00
Bursa 3(b) Total number of incidents of noncompliance with regulations or voluntary codes concerning the health & safety impacts of products and services within the reporting period	Number	0	0	0

Internal assurance | External assurance | No assurance | (*)Restated

* *Bursa C3(a) Percentage of employees by gender and age group, for each employee category under Non-Executive Male and Female for 2022 and 2023 have been restated due to removal of contract employees from this category. As for the Contingent Worker by gender, this is not restated data as this employee category is a new addition to this year's report. However, due to limitations within the Bursa LINK ESG Platform, we are unable to remove the restated label.*

* *Bursa C4(a) Total energy consumption data for 2022 and 2023 have been restated as Bursa LINK platform requires this data to be reported in Megawatt instead of Megajoule (which is as per Bursa Sustainability Reporting Guide).*

* *Bursa C5(b) Lost time incident rate ("LTIR") data for 2023 have been restated due to discrepancy in calculation.*

BURSA MALAYSIA'S ESG PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2022	2023	2024
Bursa 3(c) Number of recalls issued and total units recalled for health and safety reasons	Number	0	0	0
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Director	Hours	380	330	402
Manager to Senior Manager	Hours	5,066	5,735	6,338
Executive to Assistant Manager	Hours	12,694	15,679	16,842
Non-Executive	Hours	629 *	733 *	616
Contingent Worker	Hours	0	0	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	28.00 *	28.00 *	27.00
Bursa C6(c) Total number of employee turnover by employee category				
Director	Number	3	3	1
Manager to Senior Manager	Number	24	16	18
Executive to Assistant Manager	Number	79	62	65
Non-Executive	Number	16 *	11 *	9
Contingent Worker	Number	76 *	61 *	49
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	71.00 *	69.00 *	75.00
Bursa S5(a) Total weight or volume of materials that are used to produce and package products and services	Kilograms	52,914,240.00	45,743,860.00	50,215,520.00

Internal assurance | External assurance | No assurance | (*)Restated

* *Bursa C6(a) Total hours of training by employee category under Non-Executive data for 2022 and 2023 have been restated due to removal of contract employees from this category.*
* *Bursa C6(b) Percentage of employees that are contractors or temporary staff data for 2022 and 2023 have been restated due to inclusion of Contingent Workers (new employee category).*
* *Bursa C6(c) Total number of employee turnover by employee category data for 2022 and 2023 have been restated due to removal of contract employees from this category. As for the Contingent Worker category, this is not restated data as this employee category is a new addition to this year's report. However, due to limitations within the Bursa LINK ESG Platform, we are unable to remove the restated label.*
* *Bursa C7(a) Proportion of spending on local suppliers data for 2022 and 2023 have been restated due to data improvement from change in basis of determining the percentage.*

BURSA MALAYSIA'S ESG PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2022	2023	2024
Bursa 6(a) Percentage of new suppliers that were screened using environmental criteria	Percentage	50.00	50.00	100.00
Bursa 6(b) Number of suppliers assessed for environmental impacts	Number	37	40	41
Bursa 7(a) Percentage of new suppliers that were screened using social criteria	Percentage	50.00	50.00	100.00
Bursa 7(b) Number of suppliers assessed for social impacts	Number	37	40	41
Bursa S7(b) Number of suppliers assessed for social impacts	Number	37 *	40 *	41
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	518.000000	454.000000	421.000000
Bursa S8(a) Total volume of water (effluent) discharge over the reporting period	Megalitres	347.000000	266.000000	228.000000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	25,500.00	25,743.00	28,211.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	22,946.00	24,478.00	26,767.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	2,554.00	1,265.00	1,444.00
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	4,784.00 *	4,354.00 *	4,386.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	9,768.00 *	9,428.00 *	9,691.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	1,825.00

Internal assurance | External assurance | No assurance | (*)Restated

* *Bursa S7(b) Number of suppliers assessed for social impacts is a duplicated indicator of 7(b) and is not restated data. Due to the limitations of the Bursa LINK platform, we are unable to remove the duplicated indicator.*
* *Bursa C11(a) Scope 1 emissions in tonnes of CO2e data for 2022 and 2023 have been restated due to changes in emissions factor.*
* *Bursa C11(b) Scope 2 emissions in tonnes of CO2e data for 2022 and 2023 have been restated due to changes in emissions factor.*

STATEMENT OF ASSURANCE

Internal Review by Internal Audit Department

Pursuant to Bursa Malaysia's Main Market Listing Requirements and Sustainability Reporting Guide, the Board confirmed that the Internal Audit Department reviewed the Sustainability Statement for the financial year ended 31 December 2024 to enhance its accuracy and reliability. The Internal Audit team was responsible for the said review on a limited basis, in which the team selected 20 subject matters reported in the Sustainability Statement for the financial year ended 31 December 2024 after considering various practicalities and limitations. Internal Audit issued a dedicated report for this purpose, which was vetted and approved by the Audit Committee. In this regard, the internal report was the primary basis for issuing this Statement of Assurance.

Subject Matters Assured

The following were the 20 subject matters (based on data for specific geographical location and financial year) that were subjected to the internal assurance procedures undertaken by the Internal Audit Department. In general, assurance was provided for 2024 data for business operations in Malaysia and Singapore (excluding MayBev Pte. Ltd.), unless stated otherwise.

Category	Selected KPIs
Environmental	C4(a) Total energy consumption
	C9(a) Total volume of water used
	C10(a) Total waste generated[1][2][3]
	C11(a) Scope 1 emissions in tonnes of CO_2e[1][2]
	C11(b) Scope 2 emissions in tonnes of CO_2e
	S8(a) Total volume of water (effluent) discharge over the reporting period[1][2]
Social	C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer
	C2(b) Total number of beneficiaries of the investment in communities
	C3(a) Percentage of employees by gender & age group for each employee category
	C3(b) Percentage of directors by gender and age group
	C5(a) Number of work-related fatalities
	C5(c) Number of employees trained on health and safety standards
	C6(a) Total hours of training by employee category
	C6(b) Percentage of employees that are contractors or temporary staff
	C6(c) Total number of employee turnover by employee category
	C7(a) Proportion of spending on local suppliers
Governance	C1(a) Percentage of employees who have received training on anti-corruption by employee category
	C1(b) Percentage of operations assessed for corruption-related risks
	C1(c) Confirmed incidents of corruption and action taken
	No. of Speak-Up Cases

Notes:
1 For Malaysia, locations other than the headquarters and brewery were excluded from the assurance engagement.
2 Singapore was excluded from the assurance engagement.
3 The breakdowns for waste diverted from/to disposal in 2024 were excluded from the assurance procedures.

The Assurance Procedures and Reporting Guidelines

Detailed walkthroughs were performed to understand and document the relevant data collection processes. These paved the way for assessing the reliability and integrity of data reported based on existing practices. Subject matter owners involved along the chain of data recording and disclosures were interviewed to establish whether they fully understood the disclosure requirements and implemented the appropriate mechanism to ensure data accuracy. There were also site visits where necessary. Internal Audit validated the data by comparing the data on hand against the source documents or physical evidence. The audit team ensured it met Bursa Malaysia's requirements when disclosing the subject matters.

Internal Audit was generally guided by the Institute of Internal Auditors' standards in the International Professional Practices Framework (2017) when carrying out this assurance exercise. More importantly, the audit closely referenced the definitions and methodologies narrated by Sustainability Reporting Guide (3rd Edition) and the relevant Global Reporting Initiative (GRI) standards.

Conclusion

The Internal Audit team confirmed that the data concerning the 20 subject matters they reviewed were reliably ascertained and adequately supported. Nothing had come to the Internal Audit's attention throughout the assurance exercise that caused the audit team to believe that the disclosures for the 20 subject matters selected could be inaccurate in any material way and not in line with the requirements set out by Bursa Malaysia.

CORPORATE GOVERNANCE

ABOUT THIS CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Overview Statement is prepared in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and sets out our report to shareholders on the status of the Group's corporate governance practices. It is to be read in tandem with our Corporate Governance Report 2024, which details our application of the principles contained in the Malaysian Code on Corporate Governance 2021 (MCCG 2021). The Corporate Governance Report 2024 can be viewed online at www.carlsbergmalaysia.com.my.

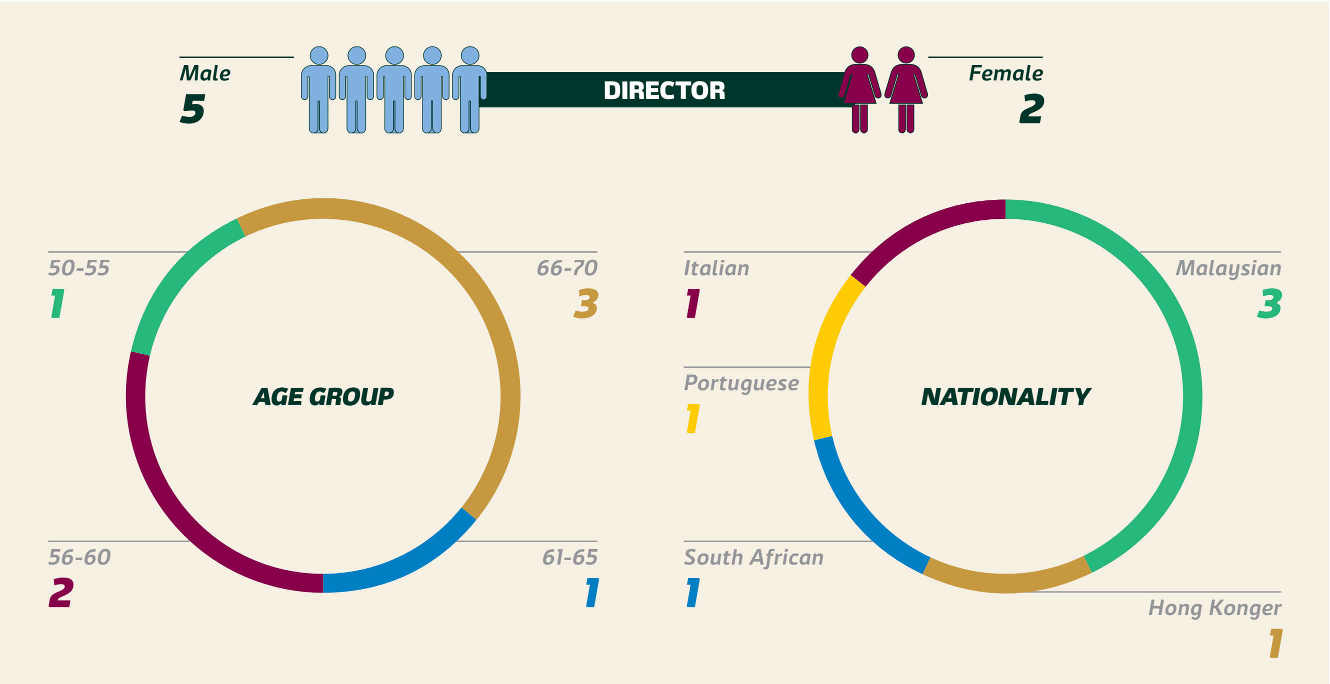
OVERVIEW OF THE BOARD

The Board is responsible for ensuring that the Group and its businesses complies with regulatory requirements and maintains high standards of corporate governance, with the objective of safeguarding and enhancing shareholders' value. In the best interests of the Group, the Board actively undertakes key responsibilities, including the review of the Group's strategic plans and internal controls, sustainable business practices, risk management and succession planning.

The Board is comprised of diverse backgrounds, skill sets and expertise. The Board is well-equipped to discharge its responsibilities effectively guided by the Board Charter which outlines its purpose, composition, key roles, principal responsibilities and internal procedural matters. Specific delegations and duties are assigned to Committees such as the Audit Committee ("AC"), Nomination & Remuneration Committee ("NRC") and Risk Management & Sustainability Committee ("RMSC"). For detailed insights into the terms of reference of both the Board and its Committees, please refer to our corporate website: www.carlsbergmalaysia.com.my.

INFORMATION ON THE BOARD

The Board consists of seven Directors and is led by an Independent Non-Executive Chairman. Its current size and composition enables objective and independent deliberation, review and decision-making. The Non-Independent Directors are nominated by the major shareholder, Carlsberg Breweries A/S, enabling the Group to leverage the expertise and experience of the Carlsberg Group to serve the best interests of the Group and its stakeholders.



Separation of Roles Between Chairman and Managing Director

In adherence to Practice 1.3 of the MCCG 2021, the roles of Chairman and Managing Director are distinct and held by separate individuals to maintain a clear balance of power and authority. Tan Sri Dato' Seri Chor Chee Heung serves as Chairman, while Stefano Clini holds the position of Managing Director. Their respective roles and responsibilities are as follows:

CHAIRMAN	MANAGING DIRECTOR
• Provides leadership and ensures the effectiveness, conduct and governance of the Board. • Together with the Board, holds the Managing Director and Management Team accountable for achieving the strategic objectives of Carlsberg Malaysia Group.	• Oversees the day-to-day operations of Carlsberg Malaysia Group and ensures the implementation of the Board's policies, strategies, directives and decisions. • Reports to the Board on the performance of the Management Team in executing approved strategies.

Independence of Non-Executive Directors

Non-Executive Directors play a crucial role in upholding strong corporate governance. All Non-Executive Directors are independent of Management and free from any relationship that could impair their independent judgment. Their diverse expertise in business, finance, legal and management contributes significantly to the Group's corporate strategy.

Additional Information on Directors

- None of the Directors have any family relationships with other Directors or major shareholders of the Group.
- No Director has any conflict of interest with the Group.
- No Director has been convicted of any offence in the past five years, nor have they faced any public sanctions or penalties from regulatory bodies during the financial year 2024, except for traffic offences, if any.
- Details of Directors' attendance at Board and Committee meetings are provided in the Corporate Governance Overview Statement on pages 148, 151, 156 and 157 of this report.

BOARD ACTIVITIES

The Board considered and reviewed the following matters in FY 2024:

Financial Matters

- Quarterly financial results
- Interim/Final dividend
- Capex investments
- Related party transactions and recurrent related party transactions
- Budget for the coming financial year
- Quarterly internal audit reports

Operational Matters

- Supply chain updates
- Sales updates
- Marketing activities updates
- Corporate affairs/regulatory matters
- Litigation/recovery updates
- HR updates, including DE&I initiatives
- Major capex investments project
- IT and cybersecurity updates
- Statutory compliance for licences and permits

Strategic and Governance Matters

- Strategic and commercial updates in quarterly Board meetings
- The Group's strategy
- Remuneration for Management Team and Executives
- Talent management updates and succession planning
- Key performance objectives of the Management Team
- Board Effectiveness Evaluation findings
- Policy on Board Succession Plan
- Strategic Stakeholder Engagement Framework
- Corporate governance updates

Risk and Sustainability Matters

- Quarterly risk register updates (including ABC risk register)
- Quarterly compliance activities
- Progress reporting on Speak Up matters (whistleblowing cases)
- Sustainability strategies and policies

Matters reserved for the Board

There is an agreed list of matters reserved for the Board's collective decision, formalised in the Board Charter as follows:
- Conduct of the Board – appointment and removal of Directors and Company Secretaries, appointment of Board Committees' members and their terms of references;
- Remuneration – remuneration structure and policy for Directors (including Managing Director);
- Operational – business strategies and operational plan, capital expenditure, annual budgets and investment or divestment in business/capital projects/undertakings;
- Financial – financial statements, dividends and accounting policies.

BOARD ATTENDANCE IN FY 2024

Directors						
Tan Sri Dato' Seri Chor Chee Heung *Independent Non-Executive Chairman*	**Stefano Clini** *Managing Director*	**Eric Ooi Lip Aun** *Independent Non-Executive Director*	**Datuk Lee Oi Kuan** *Independent Non-Executive Director*	**João Miguel Ventura Rego Abecasis** *Non-Independent Non-Executive Director*	**Gavin Stuart Brockett** *Non-Independent Non-Executive Director*	**Chan Po Kei Kay** *Non-Independent Non-Executive Director*
Attendance Record						
4/4	**4/4**	**4/4**	**4/4**	**3/4**	**4/4**	**3/4**

DIRECTORS' INDUCTION AND TRAINING

A comprehensive and tailored induction is provided to all new Directors following their appointment to the Board to enable the new Director to contribute effectively from the onset of his/her appointment. This includes meetings with the Managing Director, Management Team and key senior executives to obtain an understanding of the Group's businesses as well as a visit to the brewery.

The NRC has the mandate to ensure that the Board receives continuous training on topics which are relevant to the Group and the individual Director's roles. A training list setting out the relevant training programmes, seminars and conferences is shared with the Directors on a quarterly basis as well as ad hoc training, seminars and conferences.

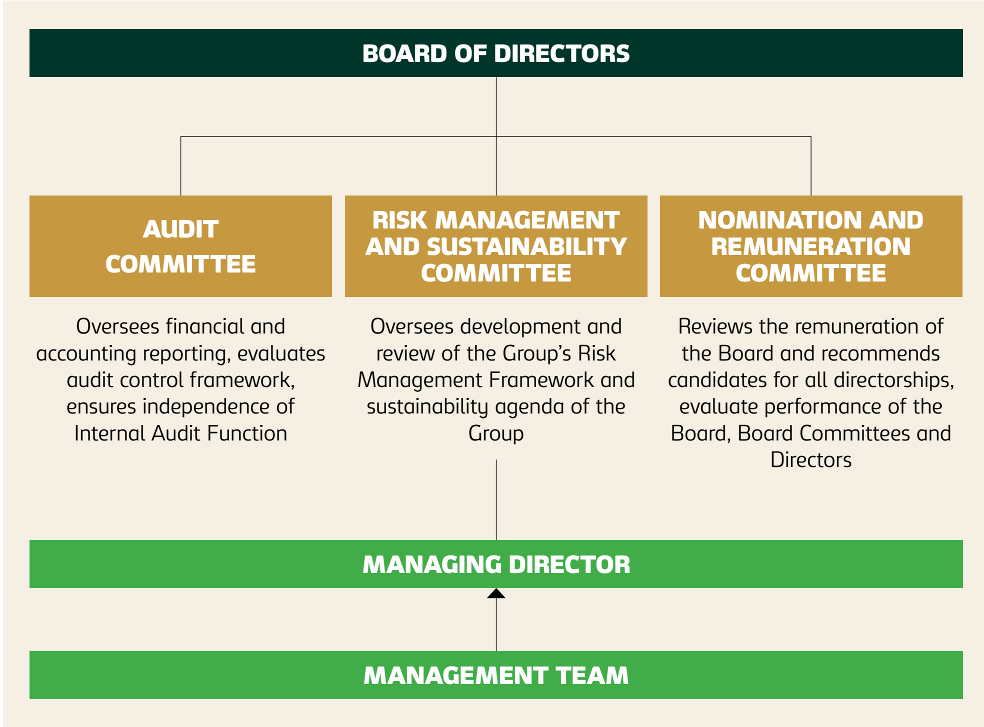
The Company Secretaries also provide the Board with material developments in law and regulations including changes in environmental, social and governance matters in the quarterly Board meeting.

The training programmes attended by the Board in FY 2024 are set out by topic below:

Subject Matter	Training Sessions
Leadership	43
Governance and Risk Management	9
Cybersecurity	1
Sustainability	3
Operational	7

GOVERNANCE CHART

The Group's governance structure is centered around the Board and its Committees, reinforced by the Group's standards, policies, comprehensive risk management and internal control framework. The Board leads the governance framework and delegates specific responsibilities to the AC, RMSC and NRC. The Chairman and Chairperson of these Committees provide regular updates to the Board during its meetings. Additionally, the Company Secretaries serve as Secretaries to both the Board and its Committees, ensuring effective coordination and compliance.



COMPANY SECRETARIES

The Board is supported by two qualified and competent Company Secretaries as follows:

(a) Ms Koh Poi San was appointed as the Company Secretary with effect from 19 February 2020. She is also the Legal & Compliance Director, leading both functions in the Group, and a member of the Management Team.

(b) Ms Ong E-Shynn was appointed as the Assistant Secretary with effect from 1 July 2024. She is an Associate member of the Malaysian Association of Company Secretaries (MACS) since 2022 and is also currently the Legal Manager of the Group.

Both Company Secretaries have the requisite credentials and are qualified to act as company secretaries under Section 235(2) of the Companies Act 2016. The role of the Company Secretaries is to provide the following support to the Board and the Committees:

- Ensure compliance with listing and related statutory obligations as well as provide updates on regulatory requirements, codes, guidance and relevant legislation;
- Ensure adherence to Board and Committees' policies and procedures, rules, relevant laws and best practices on corporate governance;
- Ensure the Directors are provided with the relevant agendas and sufficient information prior to meetings;
- Attend Board, Committees and General Meetings and ensure the proper recording of minutes and follow up on matters arising;
- Advise the Board and Committees on corporate administration and governance matters;
- Ensure proper upkeep of statutory registers and records and maintain a secure retrieval system which stores meeting papers and minutes of meetings; and
- Assist the Chairman and Chairperson of the Board and Committees in the preparation for and conduct of meetings.

The Company Secretaries are supported by an external consultant, Tricor Corporate Services Sdn Bhd (Vistra Group), to support on corporate secretarial matters as well as additional advice on issues pertaining to compliance and corporate governance.

NOMINATION AND REMUNERATION COMMITTEE REPORT

The NRC is responsible for, among others, succession planning, Directors' remuneration package and annual assessment of the Board and Board Committees. It comprises three members with the majority being Independent Non-Executive Directors, including the Chairperson.

The Managing Director attended all the meetings for the purpose of briefing the NRC on the activities involving his areas of responsibility. The NRC held a total of three meetings in FY2024.

	Attendance Record
Chairperson	
Datuk Lee Oi Kuan *Independent Non-Executive Director*	3/3
Member	
Eric Ooi Lip Aun *Independent Non-Executive Director*	3/3
Chan Po Kei Kay *Non-Independent Non-Executive Director*	3/3

SUMMARY OF WORK PERFORMED BY THE NOMINATION AND REMUNERATION COMMITTEE

The main NRC activities and key focus in FY2024 were as follows:

- Reviewed the Managing Director and Management Team's key performance objectives and their annual performance;
- Reviewed and assessed the effectiveness of the Board, Board Committees and Board Skills.
- Formalised Company's Policy on Board Succession Plan and MY/SG - Strategic Stakeholder Engagement Framework; and
- Conducted the fit and proper assessment on the Directors identified for re-election at the upcoming AGM.

The Terms of Reference of the NRC are set out in Appendix C of the Board Charter and are available on the corporate website at www.carlsbergmalaysia.com.my.

REMUNERATION OF THE DIRECTORS AND MANAGEMENT TEAM

Details of Directors' Remuneration

The Directors' remuneration matters fall within the purview of the NRC, which is responsible for reviewing and making recommendations to the Board. Remuneration of Directors is determined and considered based on skills, experience required, complexities, time commitment required from the Directors including additional responsibility of the Chairman or Chairperson of the Board and/or Board Committees.

The objective of the Group's remuneration policy is to attract and retain the right calibre of Directors required to lead and manage the Group effectively.

Under the Group's current remuneration policy, only the Independent Non-Executive Directors receive remuneration for their roles as Directors as well as members of the Board Committees. The remuneration payable in respect of the Independent Non-Executive Directors' fees in FY2024 is categorised as below:

Remuneration for Directors' fees	Amount per annum (RM)
Chairman of the Group	200,000
Each Independent Non-Executive Director	115,000
AC Chairman	20,000
AC Member	8,000
RMSC Chairman	2,500
RMSC Member	2,000
NRC Chairman	2,500
NRC Member	2,000
Meeting allowance (per meeting)	1,500

NOMINATION AND REMUNERATION COMMITTEE REPORT

The Board has proposed the adoption of the same Directors' fee structure and rates for FY2025 and for the fees to be paid on a monthly basis. The Directors' fees for FY2025 are subject to the approval of the shareholders of the Group at the upcoming AGM.

The details of the remuneration of the Board for FY2024 were as below:

	Fees (RM)	Salaries (RM)	Allowances (RM)	Benefits-in-kind (RM)	Other Emoluments (RM)	Total (RM)
Independent and Non-Executive Directors						
Tan Sri Dato' Seri Chor Chee Heung	200,001	-	7,500	2,130	-	209,631
Datuk Lee Oi Kuan	127,493	-	28,500	1,710	-	157,703
Eric Ooi Lip Aun	139,502	-	28,500	1,910	-	169,912
Executive Director						
Stefano Clini	-	2,154,422	549,892	56,205	1,537,829	4,298,348
Non-Independent Non-Executive Director						
João Miguel Ventura Rego Abecasis	-	-	-	-	-	-
Gavin Stuart Brockett	-	-	-	-	-	-
Chan Po Kei Kay	-	-	-	-	-	-

Details of Management Team's Remuneration

The remuneration of the top five members of the Management Team for FY2024 was set out as below. The details of the Management remuneration were not disclosed by name due to confidentiality and sensitivity of each remuneration package.

Range of Remuneration (RM)	Top Five Management Team
800,000 - 1,000,000	1
1,000,001 - 1,200,000	2
1,200,001 – 1,400,000	1
1,400,001 – 1,600,000	0
1,600,001 – 1,800,000	1

BOARD AND BOARD COMMITTEES EFFECTIVENESS EVALUATION 2024

The Board, through the NRC, conducts an annual evaluation of the Board and Board Committees' performance and effectiveness. For FY2024, the Board and Board Committees Effectiveness Evaluation were conducted in-house and facilitated by the Company Secretaries.

The evaluation was carried out by online questionnaires derived from Bursa Malaysia's Corporate Governance Guide which covered the areas of:

- **Board mix and composition**
- **Quality of information and decision making**
- **Boardroom activities**
- **Effectiveness of Board Committees**

In addition, the Board also undertook a self and peer assessment on skills matrix which focused on three key areas:

- **Industry knowledge/experience**
- **Technical skills**
- **Behavioural competencies**

The results of the Board and Board Committees Effectiveness Evaluation and Skills Matrix Assessment were reviewed by the NRC before it was presented to the Board for consideration. An action plan was formulated based on the results of the evaluation (as detailed below).

The overall results of the evaluation were satisfactory. It was concluded that the Board and the Board Committees continued to operate in an effective and efficient manner and have effectively discharged their various Board and Committees duties and responsibilities.

The following 2024 action plans have been undertaken and formalised:

- **CBMB Policy on Board Succession Plan**
- **MY/SG - Strategic Stakeholder Engagement Framework**
- **Continue to focus on emerging trends in the training curricular for the Board and Board Committees**

ACTION PLANS FOR 2025

The Board deliberated on the evaluation undertaken and agreed on the following action items for 2025 (recommendations were based on Skills Matrix results from self vs peer assessments):

- **Enhancement of Board's Industry Knowledge:** To provide access to the Company's intranet where latest news and updates on the Company and industry are shared.
- **Enhancement of Board's Technical Skills:** To engage professional/technical advisors as and when necessary to enhance the Board's technical skills and/or to complement the internal functions and capabilities of the Company.
- **Enhancement of Board Engagement:** To facilitate Directors' participation in person in meetings and events of the Company which include extending invitation to the Board to such meetings and events.

ANTI-BRIBERY, CORRUPTION AND COMPETITION

We are committed to maintain ethical business practices and enforce a zero-tolerance policy on bribery, corruption and competition law violations. We also prioritise a compliant and accountable corporate culture.

Why is It Important

At Carlsberg Malaysia Group, we recognise that our decisions and actions directly influence stakeholder trust. Our strict approach reassures all stakeholders that Carlsberg Malaysia maintains a zero-tolerance policy to protect both employees and the company. Once an allegation of violating our Company's Bribery and Corruption Policy is substantiated, it will result in immediate dismissal, while the Malaysian Anti-Corruption Commission Act 2009 mandates penalties of imprisonment for a term not exceeding 20 years and a fine of not less than five times the sum or value of gratification. In the EU and other jurisdictions, breaches of competition law may incur fines of up to 10 per cent of total annual global turnover.

Building on this understanding, we are committed to protecting our workforce and Carlsberg's operations as a whole. Our record of no fines or penalties to date reinforces this commitment, while the Speak Up Manual provides a safe space for employees to report issues related to workplace safety, harassment and general welfare, ensuring every employee's right to a secure and respectful work environment where concerns are taken seriously and addressed fairly without fear of retaliation.

Our Approach

Our approach to Anti-Bribery, Corruption and Competition is centred around frameworks, policies, guidelines and procedures that uphold ethical business practices and regulatory compliance. These include:

Anti-Bribery and Corruption Policy	Code of Ethics and Conduct	Gifts, Entertainment and Donation Policy	Gifts, Entertainment and Donation Manual
Third-Party Screening (Anti-Bribery and Trade Sanctions) Manual	Corporate Sponsorship Standard Operating Procedure	Competition Law Manual	Speak Up Manual

Progress/Achievements

To prevent bribery and corruption, we implement a series of structured and proactive measures:

- **Quarterly** discussions with Group Compliance to review progress on compliance activities, including training implementation, effectiveness of compliance control frameworks and handling ad hoc compliance-related requests from Group.
- **Bi-yearly** Tone from the Top compliance message to all employees in Carlsberg Malaysia and Singapore, reinforcing key compliance reminders and the importance of adherence to policies, ethical business conduct and regulatory requirements.
- **Annual** compliance e-learning and training sessions for all staff to enhance awareness and understanding of compliance obligations.
- **Compliance Day**, now in its second year, is a company-wide event designed to increase awareness of compliance-related topics among employees.
- **Review** policies and procedures to ensure continuous alignment with Group standards and local regulatory requirements.

Speak Up Channel

At Carlsberg, we are committed to ensuring that we always conduct our business ethically and competently at all times. To support this, we put in place an in-depth whistleblowing framework and policy, named Speak Up, to provide an avenue to employees, customers, suppliers, business partners and any individual to report any unethical, illegal or non-compliant practices, ensuring concerns are addressed appropriately and in a timely manner.

Being part of a multinational organisation, we ensure that each whistleblowing report is handled with care and confidentiality in line with globally established standards and guidelines. Individuals and entities who submit reports in good faith are protected under this policy, without the risk of retaliation. However, we will not tolerate any report that is made with malicious intent and we reserve the right to pursue any action deemed legally appropriate, including disciplinary measures or legal proceedings where necessary.

In 2024, four Speak Up cases were reported at Carlsberg Malaysia while one was reported at Carlsberg Singapore. Out of all the five cases reported in 2024, four were substantiated, while one was found to be unsubstantiated. The 4 substantiated cases were related to asset misappropriation and workplace bullying and harassment while the one unsubstantiated case was related to workplace bullying and harassment.

AUDIT COMMITTEE REPORT

The AC is responsible for reviewing and monitoring the accounting and financial results, including all associated matters, recurrent related party transactions, the internal control framework and systems, audit reports and annual audit plan and compliance matters. The committee comprises three Non-Executive Directors, with the majority being Independent Directors, including the Chairman.

	Attendance Record
Chairman	
Eric Ooi Lip Aun *Independent Non-Executive Director*	5/5
Member	
Datuk Lee Oi Kuan *Independent Non-Executive Director*	5/5
Gavin Brockett *Non-Independent Non-Executive Director*	5/5

The Managing Director, Chief Financial Officer, Legal & Compliance Director and Head of Internal Audit attended all the meetings to brief the AC on the developments and issues relating to their areas of responsibility.

The external auditors, PwC, also briefed the AC on the audit plan and the external audit findings in the 2024 AC meetings. In these meetings with PwC, the AC had private sessions with the external auditors without the presence of any executive Board members or Management.

SUMMARY OF WORK PERFORMED BY AUDIT COMMITTEE

The activities that the AC undertook during FY 2024 were as follows:

- Reviewed the external auditors' scope of work, audit risks and focus areas, materiality thresholds, audit methodology, key milestones, and other relevant matters. The Chairman and AC members periodically engaged the external auditors for informal discussions to address audit issues on a timely basis.
- Reviewed the results of the external audit, the audit report, and the management representation letter, including Management's responses. Furthermore, the AC scrutinised potential key audit matters raised by the external auditors and ensured that adequate work was done to support the audit conclusions and overall impact on the financial statements. The sole key audit matter vetted by the AC (as mentioned in the Independent Auditors' Report on pages 241 to 244 in detail) related to the accounting for trade discounts and volume rebates accruals as part of revenue recognition, as this involved the use of material accounting estimates and Management's assumptions. As noted by the external auditors, Management accrued the trade discounts and volume rebates based on the estimated sell-out volume multiplied by the contracted rates for each customer. On the AC's part, trade discounts and volume rebates were regularly reviewed as part of the financial reports presented by Management at each quarterly meeting and through relevant Internal Audit ("IA") reports during the year, following the approved IA plan.
- Assessed the external auditors' performance, competency and professionalism during the year. Obtained external auditors' assurance of independence and recommended the audit fees payable to the Board for approval.
- Considered and assessed the independence and objectivity of the external auditors during the year and before engaging the external auditors for non-audit-related services. The non-audit fees paid to the member firms of external auditors in 2024 amounted to RM16,274.
- Reviewed IA reports, recommendations, and Management responses, including relevant activities performed by Group IA from Carlsberg Group. Discussed actions taken with Management to improve the internal control systems based on findings identified by the internal auditors. Every quarter, the AC Chairman also had separate sessions with the Head of IA to discuss the operations of the IA function and other related matters.
- Reviewed the audited financial statements of the Group before submission to the Board for its approval. The review ensured that the audited financial statements were drawn up as per the provisions of the Companies Act 2016 and the applicable accounting standards set by the Malaysian Accounting Standards Board.
- Reviewed the quarterly unaudited financial results and Bursa Malaysia Securities Berhad (Bursa) announcements before recommending them for the Board's approval. Conducted such reviews with the Managing Director and Chief Financial Officer.
- Throughout the financial year, the AC Chairman and other members of the AC also discussed frequently with the Chief Financial Officer about any potential material issues that could affect financial reporting and disclosures. This included the Group's compliance with relevant legal and statutory requirements, such as the Bursa Listing Requirements.
- Reviewed pertinent issues of the Group that could significantly impact the Group's results and future cash flows, including enhancements and investments in products, capital expenditure, cost rationalisation measures and human resource development.
- Reviewed the outcome of the annual audit performed by Internal Audit and also the reports prepared by Management on recurrent related party transactions, to ensure these transactions were executed as per Bursa Listing Requirements, the arm's length principle and within the shareholders' mandate.
- Reviewed the Group's compliance with the Malaysian Code on Corporate Governance for the Corporate Governance Overview Statement, under the Bursa Listing Requirements.

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE REPORT

The RMSC oversees the risk management framework, policy and activities and reviews the sustainability initiatives and related matters within the Group. The committee comprises two Non-Executive Directors and one Executive Director, with the majority represented by Independent Directors, including the Chairman.

	Attendance Record
Chairman	
Eric Ooi Lip Aun *Independent Non-Executive Director*	5/5
Member	
Datuk Lee Oi Kuan *Independent Non-Executive Director*	5/5
Stefano Clini *Managing Director*	5/5

The Chief Financial Officer, Chief Sustainability Officer, Legal & Compliance Director and Head of Internal Audit attended all the meetings to brief the RMSC on the activities involving their areas of responsibility.

SUMMARY OF WORK PERFORMED BY RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

The activities that the RMSC undertook during FY 2024 were as follows:

- Reviewed the Group's Risk Management Framework and policies for the Board's approval and adoption. Reviewed the framework and policies' effectiveness and relevance regularly.
- Reviewed the quarterly risk updates and provided recommendations to the Board about monitoring principal risks and the corresponding risk-mitigating plans. The RMSC also conducted regular assessment to identify any new and emerging risk.
- Made recommendations to the Board concerning risk appetite and risk tolerance. In addition, the RMSC ensured that key risks were adequately monitored and managed within the tolerance levels acceptable to the Board.
- Reviewed and reported to the Board on significant issues arising from the risk management activities and the corresponding mitigating actions taken by the Group. Key matters discussed during the year included health and safety initiatives, the commissioning of a new canning line and cyber and information security measures.
- Had oversight of the implementation of the sustainability framework, policies and strategies, as well as ESG initiatives across the Group to meet market and global expectations. Reviewed key updates concerning ESG developments and results of ESG integration into the Group's operations and principles, as part of building a sustainable business model.
- Reviewed and monitored the Group's ESG targets and key performance indicators. Reported timely to the Board on any current and emerging topics about ESG subject matters that could materially affect the business, performance, or reputation of the Group.
- Reviewed the anti-bribery and anti-corruption risks relating to the Group and the corresponding mitigating activities.
- Reviewed the updates to compliance activities in the quarterly report prepared by the Legal and Compliance Director, which included updates on Speak Up cases.

INTERNAL AUDIT FUNCTION

STRUCTURE, RESPONSIBILITIES AND APPROACH

The Group maintains an in-house IA function, independent of the business operations. The IA function always maintains independence to perform its duties objectively. The Head of IA is Mr. Lim Tiong Eng @ Allan Lim, a chartered accountant registered with the Malaysian Institute of Accountants and a certified practising accountant under CPA Australia. The Head of IA is assisted by three internal auditors and has a functional reporting line to the AC Chairman. He has full access to the AC and maintains regular communications with the AC Chairman to discuss audit matters, and other matters concerning the IA function. Like any other employee of the Group, all members of the IA function are subject to an annual declaration of any potential conflict of interest. No member of the IA function was reported to the AC and Board to have any element of conflict of interest during the year.

The Committee of Sponsoring Organisations of the Treadway Commission (COSO)'s framework in general and the COSO 5 components of internal control specifically guide the IA team's work. The IA team also refers to the International Professional Practices Framework (2017) standards issued by the Institute of Internal Auditors.

The scope of work for the IA function is laid out in the annual audit plan determined in consultation with the Managing Director and approved by the AC. The contents of the annual audit plan are determined by an annual risk assessment performed independently by the IA function. Various aspects of the business are covered by the audit plan, such as key internal control processes, risk management, corporate governance & compliance and recurrent related party transactions. The progress and status of the audit plan are presented to the AC on a quarterly basis. All audit observations and the corresponding remedial action plans are presented by the Head of IA at the quarterly AC meetings. The progress and implementation status of action plans are also tabled at each meeting. A dedicated reporting deck that includes all the individual audit reports is prepared for the purpose of the quarterly meetings.

The total cost incurred by the IA function during the year amounted to RM1,219,987.

SUMMARY OF WORK PERFORMED BY INTERNAL AUDIT

The main activities the IA function undertook during FY 2024 were as follows:

- Performed risk assessments on all auditable areas for the purpose of annual audit planning. Several elements were considered in the planning, which included financial impact, perceived state of controls, feedback from the Management Team, past audit findings or adverse events, control matters raised by external auditors or Group IA from Carlsberg Group and recent changes in the business environment.
- Shared the proposed annual audit plan with the Managing Director and presented it to the AC for review and approval.
- Performed audit reviews based on the approved audit plan and prepared audit reports (for quarterly issuance to the Management and AC) detailing the audit observations, root cause analyses and remedial recommendations. During the year, reviews related to on-trade and off-trade sales processes, warehouse and inventory management, marketing consumer campaigns, travel and expense claim processes, management of premium items and prizes, credit and receivables management, procurement and payment processes, capital expenditure and recurrent related party transactions. A few special reviews, which included the assessment of ABAC risks and investigation of Speak Up case, were also carried out. All audit reports were tabled at the quarterly AC meetings for review, discussion and implementation.
- Conducted meetings with the relevant stakeholders throughout the year to discuss and align audit-related matters. Such meetings also solicited stakeholders' feedback regarding the practicality of audit recommendations and adoption.
- Followed up regularly on outstanding audit issues, especially the implementation and continuity of Management's action plans, to address the identified control gaps.
- Provided advice in relation to internal control issues arising from the day-to-day business operations. Where necessary, the IA function also collaborated with Management to promote a culture of practising good internal controls and governance to strive for business efficiency and internal control effectiveness.
- Managed the Group's official Speak Up mailbox and liaised with the Whistleblowing Committee and the Speak Up Review Team of Carlsberg Group on the appropriate responses and actions in relation to reports received from whistleblowers. Carried out investigations as and when required.
- Participated as an independent observer in the Group's end-to-end tendering process. The IA team reviewed all tenders for purchases above RM200,000 in terms of tender briefs, scoring criteria and weightage, actual submission by suppliers, selection justification and exception handling.
- Conducted more than 20 alignment sessions with the risk owners and functional heads to discuss and solicit updates for the risk registers and thereafter, facilitated the quarterly risk management meetings with the working committee (consisting of risk owners and risk responsible parties). Prepared the minutes and followed up on matters arising and outstanding issues.
- Maintained the Group's risk registers and ensured that the contents were regularly updated with the relevant information and status of risk-mitigating activities.
- Prepared the risk management reporting deck and presented it at the quarterly RMSC meetings for review, discussion, and comments.
- As per the Main Market Listing Requirements, the Group must disclose whether the sustainability statement was subjected to internal review or independent assurance. It was decided that the IA would provide the Statement of Assurance on the Sustainability Statement for FY 2024. IA developed the ESG assurance framework and aligned the selected subject matters with Management and Sustainability Steering Committees.
- IA performed the necessary validation on all the selected subject matters, with specific geographical location as well as financial year prior to the issuance of the Statement of Assurance (as mentioned on page 144 to 145 in detail).

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RESPONSIBILITY AND COMMITMENT OF THE BOARD

The Board has always emphasised the importance of robust risk management and internal control frameworks to safeguard the Group's assets and shareholders' investments. To this end, the Board affirms its overall responsibility for identifying and mitigating the Group's key risks, categorised in its risk registers according to the nature of the risk, namely strategic, operational, financial and compliance. Meanwhile, the Group maintains an internal control framework to prevent, detect, and monitor significant control gaps. In addition, the Board effectively oversees the audit findings and recommendations highlighted by the Internal Audit (IA) function and the external auditors. However, it should be noted that the risk management process and internal control systems, by definition, can only manage but not eliminate all risks and thus can only provide reasonable and not absolute assurance against misstatement, loss, fraud, or any other adverse event.

This Statement on Risk Management and Internal Control was made in accordance with the resolution of the Board dated 17 March 2025.

RISK MANAGEMENT FRAMEWORK

Under the risk management framework, the Group implement a continuous process to identify, evaluate, monitor and manage key risks that could hinder the achievement of the Group's business objectives.

The Risk Management Process

The IA team coordinates discussions and meetings with all the risk owners and heads of department to assess and update the existing risks in the Group's risk registers (there are separate risk registers for the Malaysian and Singaporean businesses). Such exercises also identify any potential new risk areas. Before the quarterly Risk Management and Sustainability Committee (RMSC) meeting, the Managing Director convenes a working committee meeting comprising all the risk owners. The main objective of this risk management's working committee meeting is to obtain updates from the owners about all the key risks reported in the risk registers. Mitigating plans and activities are also discussed and deliberated before adoption. The RMSC evaluates and reviews the key risks reported by the Group every quarter in a dedicated risk report. Upon invitation, relevant members of the Management Team attend the quarterly meetings as and when necessary.

Risk Category

The Group maintains a register of key risks, with corresponding mitigating activities and risk ratings. These risks are grouped according to the nature of the risk, as follows:

Strategic

Risks that hinder the business from achieving its strategic objectives due to internal and external events.

Operational

Risks that impact the day-to-day business operations.

Financial

Risks that are generally associated with misstatements in financial reporting and/or breakdowns in financial controls, including adverse events resulting in financial losses.

Compliance

Risks related to legal, statutory and corporate governance requirements.

INTERNAL CONTROL FRAMEWORK

The key elements of the Group's internal control framework are as follows:

Control Environment

The Board and Management have established an organisational structure with clearly defined lines of accountability and delegated authority. This structure includes well-defined responsibilities for the Board Committees and various management levels. The Group's Chart of Authority, endorsed by the Board, spells out the authority limits governing the day-to-day business operations. Emphasis is on adherence to the Carlsberg Group's Code of Ethics and Conduct by all employees and business partners. Meanwhile, merit-based incentive schemes and rigorous key performance indicators are in place to continuously maintain workforce competency.

Control Activities

As part of the framework, the Group has established standard operating procedures to safeguard the integrity of the business operations and financial reporting. These procedures are subject to regular reviews by the Management, Legal & Compliance team and internal auditors to cater for changes in business processes and risks or for further improvements. Preventive, detective and monitoring controls are also embedded in the core business processes to mitigate the risk of deviation adequately. Meanwhile, where required and when possible, duties are segregated.

Communication

The Group maintains effective communication channels to provide and solicit feedback about business performance, critical issues and other key business matters. The Group has also implemented policies and manuals that govern vital business areas, namely Code of Ethics & Conduct, Anti-Bribery & Corruption, Gift, Entertainment & Donation, Competition Compliance, Trade Sanction and Third-Party Screening. The Group also regularly communicates directives to employees and business partners for strict adherence and compliance. Meanwhile, training and refresher programmes, particularly e-learning, are periodically rolled out to create awareness and instil a desirable culture within the Group. As an additional safeguard, the Group has implemented various channels for employees and third parties to speak up on any misconduct or behaviour that deviates from the Group's policies and principles.

Monitoring Mechanism

The Management constantly reviews key performance indicators set for various functions within the Group to ensure the efficiency and effectiveness of operational activities in achieving business objectives. Independent reviews are carried out throughout the year by the IA function to assess the adequacy and effectiveness of the internal control framework. Results from audit reviews, as per the approved annual audit plan, including the findings and recommendations, are reported to the AC every quarter. In addition, external audit findings, including any key control matters, are highlighted by the external auditors to the AC and the Board. The Group has also implemented periodic self-assessment initiatives concerning financial controls, the results of which are reviewed and monitored by the Carlsberg Group.

ADEQUACY OF RISK MANAGEMENT AND INTERNAL CONTROL

The Board has reviewed the risk management and internal control framework and believes it is adequate. Appropriate mitigating activities and control procedures are in place to address identified weaknesses.

During the year, deficiencies in internal control were identified by both the external and internal auditors as part of the statutory audit as well as internal audit reviews. Corrective actions were duly taken to address such deficiencies. In addition, more attention was paid to cybersecurity in recent times due to the increasing risk in cyber-attacks worldwide. Numerous initiatives were implemented to mitigate such risks, which included quarterly reporting and review of cybersecurity related matters by RMSC.

The Board has also received assurance from the Managing Director and Chief Financial Officer that the Group's risk management and internal control systems operate adequately and effectively in all material aspects.

This Statement on Risk Management and Internal Control does not deal with the associated company, as the Group does not have management control over its operations. However, the Group maintains oversight and has significant influence over the financial reporting process and operating policies through two representatives from the Group on the associated company's Board.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. They performed their limited assurance review per the Audit and Assurance Practice Guide 3 (AAPG3) issued by the Malaysian Institute of Accountants. AAPG3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

RESPONSIBILITY STATEMENT BY THE BOARD OF DIRECTORS

The Directors are collectively responsible for ensuring that the financial statements for the Carlsberg Malaysia Group are prepared in accordance with the applicable Approved Accounting Standards in Malaysia, the provisions of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

It is the responsibility of the Directors to ensure that financial statements for each financial year present a true and fair view of the state of affairs of the Carlsberg Malaysia Group at the end of the financial year and of the results and cash flows of the Carlsberg Malaysia Group for the financial year.

In preparing the financial statements for the financial year ended 31 December 2024, the Directors have applied appropriate and relevant accounting policies consistently, and in accordance with applicable accounting standards, and made judgements and estimates that are reasonable and fair. The financial statements have been prepared on a going concern basis and the Directors have ensured that proper accounting records have been kept that enable the preparation of the financial statements with reasonable accuracy.

The Directors have the general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Carlsberg Malaysia Group and to prevent and detect fraud and other irregularities. This statement is made in accordance with a resolution of the Board of Directors dated 17 March 2025.

Financial Statements

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Board of Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

DIRECTORS OF THE COMPANY

The Directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Tan Sri Dato' Seri Chor Chee Heung
Stefano Clini
Eric Ooi Lip Aun
Datuk Lee Oi Kuan
João Miguel Ventura Rego Abecasis
Gavin Stuart Brockett
Chan Po Kei Kay

By way of relief order dated 8 March 2024, granted by the Companies Commission of Malaysia, the names of Directors of subsidiaries as required under Section 253(2) of the Companies Act 2016 are not disclosed in this Report. The names of Directors of subsidiaries are set out in the respective subsidiaries' audited financial statements and the said information is deemed incorporated herein by such reference and shall form part thereof.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the production of beer, stout, cider, shandy and non-alcoholic beverages for distribution in the domestic market and for export while the other Group entities are primarily involved in the marketing and distribution of beer, stout, cider, shandy, liquor and non-alcoholic beverages. There have been no significant change in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year attributable to:		
- Owners of the Company	337,083	402,407
- Non-controlling interests	3,661	-
Profit for the financial year	340,744	402,407

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

ISSUE OF SHARES AND DEBENTURES

There were no shares or debentures issued by the Company during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than the benefits shown under Directors' Remuneration) by reason of a contract made by the Company or a related company with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company or any of its subsidiaries a party to any arrangements whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate apart from the ultimate holding company's, Carlsberg A/S share-based incentive programme.

INDEMNITY AND INSURANCE COSTS

The Directors and the Officers of the Group and of the Company are covered by Directors and Officers Liability Insurance in respect of liabilities arising from acts committed in their respective capacity as, inter alia, Directors and Officers of the Company subject to the terms of the policy. The total amount of premium paid was RM69,326.

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' shareholdings required to be kept under Section 59 of the Companies Act 2016, particulars of interests of the Directors who held in office at the end of the financial year in shares in the Company and its related corporations are as follows:

	Number of ordinary shares			
	At 1.1.2024	Acquired/ Vested	Disposed	At 31.12.2024
Ultimate Holding Company:				
Carlsberg A/S				
Chan Po Kei Kay	1,750	858	-	2,608
João Miguel Ventura Rego Abecasis	5,505	2,629	-	8,134
Stefano Clini	3,103	1,103	(249)	3,957

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

DIRECTORS' INTERESTS IN SHARES (CONTINUED)

Performance shares granted but not vested

	Number of performance shares					
	At 1.1.2024	Granted	Adjustments	Forfeited	Vested	At 31.12.2024
Ultimate Holding Company:						
Carlsberg A/S						
Long-Term Incentive Plan 2021*						
Chan Po Kei Kay	803	-	-	-	(803)	-
João Miguel Ventura Rego Abecasis	2,457	-	-	-	(2,457)	-
Stefano Clini	1,103	-	-	-	(1,103)	-
Long-Term Incentive Plan 2022*						
Chan Po Kei Kay	1,269	-	(317)	-	-	952
Gavin Stuart Brockett	1,727	-	-	-	-	1,727
João Miguel Ventura Rego Abecasis	3,411	-	(853)	-	-	2,558
Stefano Clini	1,471	-	(367)	-	-	1,104
Long-Term Incentive Plan 2023*						
Chan Po Kei Kay	1,284	-	-	-	-	1,284
Gavin Stuart Brockett	1,746	-	-	-	-	1,746
João Miguel Ventura Rego Abecasis	3,510	-	-	-	-	3,510
Stefano Clini	1,596	-	-	-	-	1,596
Long-Term Incentive Plan 2024*						
Chan Po Kei Kay	-	1,345	-	-	-	1,345
Gavin Stuart Brockett	-	1,847	-	-	-	1,847
João Miguel Ventura Rego Abecasis	-	3,863	-	-	-	3,863
Stefano Clini	-	1,706	-	-	-	1,706

* The vesting of the performance shares to the eligible Directors are subject to the fulfilment of the relevant vesting conditions as at the relevant vesting dates. The quantum of shares to be vested may vary from 0% to 150% of the number provisionally granted.

Other than those disclosed above, according to the Register of Directors' Shareholdings, none of the Directors holding in office at the end of the financial year held any interest in shares and options in the Company and of its related corporations during the financial year.

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

DIVIDENDS

The dividends paid since the end of the previous financial year were as follows:

In respect of financial year ended 31 December 2023:

Date of payment		Sen per ordinary share	RM million
21 June 2024	Final single-tier dividend	31.0	94.8

In respect of financial year ended 31 December 2024:

Date of payment		Sen per ordinary share	RM million
11 Jul 2024	First interim single-tier dividend	22.0	67.3
17 Oct 2024	Second interim single-tier dividend	20.0	61.1
07 Jan 2025	Third interim single-tier dividend	23.0	70.3

The Board of Directors recommended for shareholders' approval at the forthcoming Annual General Meeting a final single-tier dividend of 35.0 sen per ordinary share in respect of the financial year ended 31 December 2024. The total amount payable for the proposed final single-tier dividend is RM107.0 million.

DIRECTORS' REMUNERATION

Details of Directors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 were as follows:

	Group and Company RM'000
Directors:	
- Fees	467
- Defined contribution plan	201
- Short-term employee benefits (including estimated monetary value of benefits-in-kind)	3,425
	4,093
- Share-based payment expenses	742
	4,835

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

HOLDING COMPANIES

The Directors regard Carlsberg Breweries A/S and Carlsberg A/S, companies incorporated in Denmark, as the immediate holding company and ultimate holding company respectively. Carlsberg A/S is listed on the Nasdaq Copenhagen in Denmark.

Carlsberg A/S considers the Carlsberg Foundation as the related party exercising control over Carlsberg A/S. As at 31 December 2024, the Carlsberg Foundation holds 29.6% (2023: 29.4%) of the shares and 77.3% (2023: 76.7%) of the voting power in Carlsberg A/S, excluding treasury shares.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

  (ii) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company, had been written down to an amount which the current assets might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

  (i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

  (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

  (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report:

  (i) there are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year which secures the liabilities of any other person; and

  (ii) there are no contingent liabilities in the Group and in the Company which have arisen since the end of the financial year.

(d) No contingent or other liability of any company in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Company and its subsidiaries to meet their obligations when they fall due.

(e) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the respective financial statements misleading.

(f) In the opinion of the Directors:

  (i) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except for those disclosed in the financial statements; and

  (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

SUBSIDIARIES

Details of subsidiaries are set out in Note 12 to the financial statements.

AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF1146), have expressed their willingness to accept re-appointment as auditors.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 are as follows:

	Group RM'000	Company RM'000
Audit fees:		
- PricewaterhouseCoopers PLT	437	293
- PricewaterhouseCoopers International Limited	335	-
Audit related services:		
- PricewaterhouseCoopers PLT	11	11
	783	304

This report was approved by the Board of Directors on 17 March 2025.

Signed on behalf of the Board of Directors:

TAN SRI DATO' SERI CHOR CHEE HEUNG
INDEPENDENT NON-EXECUTIVE
CHAIRMAN

STEFANO CLINI
MANAGING DIRECTOR

Selangor Darul Ehsan
17 March 2025

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Revenue	5	**2,376,412**	2,260,899	**1,258,345**	1,107,980
Cost of sales		**(1,558,650)**	(1,483,948)	**(1,201,187)**	(1,077,125)
Gross profit		**817,762**	776,951	**57,158**	30,855
Other income		**6,583**	2,061	**34,525**	24,206
Sales and distribution expenses		**(313,638)**	(292,850)	**(3,630)**	(3,980)
Administrative expenses		**(92,406)**	(84,442)	**(54,996)**	(46,068)
Other expenses		**(2,398)**	(2,916)	**(3,641)**	(2,601)
Results from operating activities		**415,903**	398,804	**29,416**	2,412
Dividend income		**-**	-	**387,761**	300,371
Finance income		**916**	556	**547**	1
Finance costs		**(4,112)**	(5,764)	**(7,988)**	(8,628)
Operating profit	6	**412,707**	393,596	**409,736**	294,156
Share of profit of equity-accounted associate, net of tax		**35,635**	23,457	**-**	-
Profit before taxation		**448,342**	417,053	**409,736**	294,156
Taxation	7	**(107,598)**	(82,195)	**(7,329)**	10,042
Profit for the financial year		**340,744**	334,858	**402,407**	304,198
Other comprehensive income/(loss), net of tax					
Items that may be reclassified subsequently to profit or loss:					
Cash flow hedge – fair value changes:					
Change in fair value of effective portion of cash flow hedges		**46**	(1,247)	**46**	(1,247)
Gain in fair value of cash flow hedges transferred to the income statement		**662**	5,917	**662**	5,917
Exchange differences on translation of foreign operations		**5,604**	15,118	**-**	-
Other comprehensive income for the financial year, net of tax		**6,312**	19,788	**708**	4,670
Total comprehensive income for the financial year		**347,056**	354,646	**403,115**	308,868
Profit attributable to:					
Owners of the Company		**337,083**	327,256	**402,407**	304,198
Non-controlling interests		**3,661**	7,602	**-**	-
Profit for the financial year		**340,744**	334,858	**402,407**	304,198
Total comprehensive income attributable to:					
Owners of the Company		**342,354**	347,044	**403,115**	308,868
Non-controlling interests		**4,702**	7,602	**-**	-
Total comprehensive income for the financial year		**347,056**	354,646	**403,115**	308,868
Basic/Diluted earnings per ordinary share (sen)	8	**110.25**	107.03		

The notes on pages 179 to 239 are an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	9	**373,513**	322,214	**345,142**	294,008
Intangible assets	10	**12,275**	5,239	**4,302**	1,820
Right-of-use assets	11	**19,561**	17,328	**10,943**	14,529
Investments in subsidiaries	12	**-**	-	**391,572**	391,572
Investment in an associate	13	**122,518**	88,642	**25,164**	25,164
Deferred tax assets	14	**5,635**	6,071	**-**	2,652
Total non-current assets		**533,502**	439,494	**777,123**	729,745
Current assets					
Inventories	15	**124,354**	97,535	**47,848**	49,402
Receivables, deposits and prepayments	16	**390,587**	384,785	**153,293**	85,530
Tax recoverable		**415**	461	**415**	461
Cash and cash equivalents	17	**84,528**	95,036	**41,027**	28,583
Total current assets		**599,884**	577,817	**242,583**	163,976
Total assets		**1,133,386**	1,017,311	**1,019,706**	893,721
EQUITY AND LIABILITIES					
Equity					
Share capital	18	**149,363**	149,363	**149,363**	149,363
Reserves	18	**128,835**	79,736	**326,684**	217,620
Total equity attributable to owners of the Company		**278,198**	229,099	**476,047**	366,983
Non-controlling interests		**5,046**	5,498	**-**	-
Total equity		**283,244**	234,597	**476,047**	366,983
LIABILITIES					
Non-current liabilities					
Deferred tax liabilities	14	**20,132**	3,628	**3,391**	-
Provision		**356**	376	**-**	-
Lease liabilities	11	**8,804**	6,364	**1,842**	6,061
Loans and borrowings	20	**318**	2,331	**-**	-
Total non-current liabilities		**29,610**	12,699	**5,233**	6,061
Current liabilities					
Payables and accruals	19	**707,885**	605,610	**459,150**	402,708
Current tax liabilities		**29,609**	41,764	**-**	-
Lease liabilities	11	**6,095**	5,571	**4,220**	2,854
Loans and borrowings	20	**76,943**	117,070	**75,056**	115,115
Total current liabilities		**820,532**	770,015	**538,426**	520,677
Total liabilities		**850,142**	782,714	**543,659**	526,738
Total equity and liabilities		**1,133,386**	1,017,311	**1,019,706**	893,721

The notes on pages 179 to 239 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Attributable to owners of the Company								
	Note	Share capital RM'000	Exchange reserve RM'000	Cash flow hedge reserve RM'000	Capital reserve RM'000	Equity contribution reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group										
At 1 January 2024		149,363	(33,711)	(64)	3,931	3,240	106,340	229,099	5,498	234,597
Profit for the financial year		-	-	-	-	-	337,083	337,083	3,661	340,744
Other comprehensive income:										
- Exchange differences on translation of foreign operations		-	4,563	-	-	-	-	4,563	1,041	5,604
- Fair value gain on cash flow hedge		-	-	708	-	-	-	708	-	708
Total comprehensive income for the financial year		-	4,563	708	-	-	337,083	342,354	4,702	347,056
Dividends to owners of the Company	22	-	-	-	-	-	(293,518)	(293,518)	-	(293,518)
Dividends to non-controlling interests		-	-	-	-	-	-	-	(5,154)	(5,154)
Effects of share-based payment		-	28	-	-	62	173	263	-	263
Total transactions with owners of the Company		-	28	-	-	62	(293,345)	(293,255)	(5,154)	(298,409)
At 31 December 2024		149,363	(29,120)	644	3,931	3,302	150,078	278,198	5,046	283,244

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Attributable to owners of the Company								
		Share capital RM'000	Exchange reserve RM'000	Cash flow hedge reserve RM'000	Capital reserve RM'000	Equity contribution reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group										
At 1 January 2023		149,363	(48,790)	(4,734)	3,931	2,420	45,465	147,655	6,462	154,117
Profit for the financial year		-	-	-	-	-	327,256	327,256	7,602	334,858
Other comprehensive income:										
- Exchange differences on translation of foreign operations		-	15,118	-	-	-	-	15,118	-	15,118
- Fair value gain on cash flow hedge		-	-	4,670	-	-	-	4,670	-	4,670
Total comprehensive income for the financial year		-	15,118	4,670	-	-	327,256	347,044	7,602	354,646
Dividends to owners of the Company	22	-	-	-	-	-	(266,001)	(266,001)	-	(266,001)
Dividends to non-controlling interests		-	-	-	-	-	-	-	(8,566)	(8,566)
Effects of share-based payment		-	(39)	-	-	820	(380)	401	-	401
Total transactions with owners of the Company		-	(39)	-	-	820	(266,381)	(265,600)	(8,566)	(274,166)
At 31 December 2023		149,363	(33,711)	(64)	3,931	3,240	106,340	229,099	5,498	234,597

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	← Non-distributable		→	Distributable	
		Share capital RM'000	Equity contribution reserve RM'000	Cash flow hedge reserve RM'000	Retained earnings RM'000	Total equity RM'000
Company						
At 1 January 2024		**149,363**	**2,725**	**(64)**	**214,959**	**366,983**
Profit for the financial year		**-**	**-**	**-**	**402,407**	**402,407**
Other comprehensive income:						
- Fair value gain on cash flow hedge		**-**	**-**	**708**	**-**	**708**
Total comprehensive income for the financial year		**-**	**-**	**708**	**402,407**	**403,115**
Dividends to owners of the Company	22	**-**	**-**	**-**	**(293,518)**	**(293,518)**
Effects of share-based payment		**-**	**(641)**	**-**	**108**	**(533)**
Total transactions with owners of the Company		**-**	**(641)**	**-**	**(293,410)**	**(294,051)**
At 31 December 2024		**149,363**	**2,084**	**644**	**323,956**	**476,047**
Company						
At 1 January 2023		149,363	2,029	(4,734)	177,088	323,746
Profit for the financial year		-	-	-	304,198	304,198
Other comprehensive income:						
- Fair value gain on cash flow hedge		-	-	4,670	-	4,670
Total comprehensive income for the financial year		-	-	4,670	304,198	308,868
Dividends to owners of the Company	22	-	-	-	(266,001)	(266,001)
Effects of share-based payment		-	696	-	(326)	370
Total transactions with owners of the Company		-	696	-	(266,327)	(265,631)
At 31 December 2023		149,363	2,725	(64)	214,959	366,983

The notes on pages 179 to 239 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		**448,342**	417,053	**409,736**	294,156
Adjustments for:					
Amortisation of:					
- Intangible assets	10	**1,634**	1,221	**895**	623
- Right-of-use assets	11	**6,142**	4,550	**3,586**	2,139
Dividend income from:					
- Unquoted subsidiaries		**-**	-	**(378,562)**	(282,524)
- A foreign quoted associate		**-**	-	**(9,199)**	(17,847)
Finance costs:					
- Interest on borrowings		**3,648**	5,396	**2,611**	3,958
- Interest on lease liabilities		**464**	368	**365**	268
- Interest on cash pooling		**-**	-	**5,012**	4,402
Finance income		**(916)**	(556)	**(547)**	(1)
Inventories:					
- (Reversal of)/allowance for written down	15	**(5,095)**	(2,417)	**(4,817)**	945
- Written off	15	**9,396**	5,661	**6,135**	263
(Gain)/loss on unrealised foreign exchange		**(2,027)**	124	**(2,471)**	153
Trade and other receivables:					
- Loss allowance		**3,334**	108	**-**	-
- Written off		**315**	161	**129**	-
Property, plant and equipment:					
- Depreciation	9	**62,346**	56,685	**54,097**	48,006
- (Reversal of)/impairment losses		**(1,760)**	85	**(1,760)**	85
- Gain on disposal		**(1,833)**	(388)	**(488)**	(10)
- Written off		**953**	1,260	**942**	1,102
Deposit liabilities written off		**(2,914)**	-	**(1,645)**	-
Share-based payment expenses		**1,714**	1,869	**432**	1,575
Share of profit of equity-accounted associate, net of tax		**(35,635)**	(23,457)	**-**	-
Operating profit before changes in working capital		**488,108**	467,723	**84,451**	57,293
Changes in working capital:					
Inventories		**(31,120)**	23,661	**236**	(11,439)
Receivables, deposits and prepayments		**(8,542)**	68,393	**(66,937)**	(21,143)
Payables and accruals		**15,666**	(137,766)	**1,439**	(75,862)
Cash generated from operations		**464,112**	422,011	**19,189**	(51,151)
Tax paid		**(101,152)**	(96,147)	**(85)**	(49)
Net cash generated from/(used in) operating activities		**362,960**	325,864	**19,104**	(51,200)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of property, plant and equipment		**(101,528)**	(54,374)	**(94,725)**	(37,787)
Acquisition of intangible assets		**(3,645)**	(1,127)	**(1,107)**	(930)
Dividends received from unquoted subsidiaries		**-**	-	**378,562**	282,524
Dividends received from a foreign quoted associate, net of withholding tax	13	**7,819**	15,170	**7,819**	15,170
Interest received		**916**	556	**547**	1
Proceeds from disposal of property, plant and equipment		**3,300**	732	**2,025**	10
Net cash (used in)/generated from investing activities		**(93,138)**	(39,043)	**293,121**	258,988
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid to owners of the Company		**(223,196)**	(266,001)	**(223,196)**	(266,001)
Dividends paid to non-controlling interests	12	**(5,154)**	(8,566)	**-**	-
Interest paid		**(3,707)**	(5,403)	**(7,682)**	(8,367)
Repayment of loans and borrowings		**(338,868)**	(258,868)	**(330,000)**	(240,000)
Drawdown of loans and borrowings		**297,052**	256,194	**290,000**	240,000
Repayment of lease liabilities		**(5,860)**	(4,414)	**(3,218)**	(1,749)
Net (repayment to)/advances from a subsidiary		**-**	-	**(27,533)**	90,186
Net cash used in financing activities		**(279,733)**	(287,058)	**(301,629)**	(185,931)
Net (decrease)/increase in cash and cash equivalents		**(9,911)**	(237)	**10,596**	21,857
Effect of exchange rate fluctuations on cash held		**(597)**	4,022	**1,848**	87
Cash and cash equivalents at 1 January		**95,036**	91,251	**28,583**	6,639
Cash and cash equivalents at 31 December	17	**84,528**	95,036	**41,027**	28,583

The notes on pages 179 to 239 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Reconciliation of changes in liabilities arising from financing activities

The following table summarises the changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes during the financial year:

Group

	Lease liabilities RM'000	Borrowings RM'000	Total RM'000
2024			
At 1 January 2024	11,935	119,401	131,336
Cash flows from financing activities:			
Drawdown from borrowings	-	297,052	297,052
Repayment of borrowings	-	(338,868)	(338,868)
Repayment of lease liabilities	(5,396)	-	(5,396)
Finance costs paid	(464)	(3,707)	(4,171)
Non-cash changes:			
Finance costs	464	3,648	4,112
Recognition of lease modification	8,428	-	8,428
Effect of movements in exchange rates	(68)	(265)	(333)
At 31 December 2024	14,899	77,261	92,160
2023			
At 1 January 2023	4,798	120,978	125,776
Cash flows from financing activities:			
Drawdown from borrowings	-	256,194	256,194
Repayment of borrowings	-	(258,868)	(258,868)
Repayment of lease liabilities	(4,414)	-	(4,414)
Finance costs paid	-	(5,403)	(5,403)
Non-cash changes:			
Finance costs	368	5,396	5,764
Recognition of additional lease liabilities	10,396	-	10,396
Effect of movements in exchange rates	787	1,104	1,891
At 31 December 2023	11,935	119,401	131,336

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Reconciliation of changes in liabilities arising from financing activities (continued)

The following table summarises the changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes during the financial year: (continued)

Company

	Amount due to a subsidiary (non-trade) RM'000	Lease liabilities RM'000	Borrowings RM'000	Total RM'000
2024				
At 1 January 2024	**232,550**	**8,915**	**115,115**	**356,580**
Cash flows from financing activities:				
Repayment to a subsidiary	**(27,533)**	**-**	**-**	**(27,533)**
Drawdown from borrowings	**-**	**-**	**290,000**	**290,000**
Repayment of borrowings	**-**	**-**	**(330,000)**	**(330,000)**
Repayment of lease liabilities	**-**	**(2,853)**	**-**	**(2,853)**
Finance costs paid	**(5,012)**	**(365)**	**(2,670)**	**(8,047)**
Non-cash change:				
Finance costs	**5,012**	**365**	**2,611**	**7,988**
At 31 December 2024	**205,017**	**6,062**	**75,056**	**286,135**
2023				
At 1 January 2023	142,364	-	115,122	257,486
Cash flows from financing activities:				
Advances from a subsidiary	90,186	-	-	90,186
Drawdown from borrowings	-	-	240,000	240,000
Repayment of borrowings	-	-	(240,000)	(240,000)
Repayment of lease liabilities	-	(1,749)	-	(1,749)
Finance costs paid	(4,402)	-	(3,965)	(8,367)
Non-cash change:				
Finance costs	4,402	268	3,958	8,628
Recognition of additional lease liabilities	-	10,396	-	10,396
At 31 December 2023	232,550	8,915	115,115	356,580

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Carlsberg Brewery Malaysia Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of its registered office and principal place of business is as follows:

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

The consolidated financial statements as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in an associate. The financial statements of the Company as at and for the financial year ended 31 December 2024 do not include other entities.

The Company is principally engaged in the production of beer, stout, cider, shandy and non-alcoholic beverages for distribution in the domestic market and for export while the other Group entities are primarily involved in the marketing and distribution of beer, stout, cider, shandy, liquor and non-alcoholic beverages.

The immediate and ultimate holding companies during the financial year are Carlsberg Breweries A/S and Carlsberg A/S respectively. Both companies are incorporated in Denmark. Carlsberg A/S is listed on the Nasdaq Copenhagen in Denmark.

Carlsberg A/S considers the Carlsberg Foundation as the related party exercising control over Carlsberg A/S. As at 31 December 2024, the Carlsberg Foundation holds 29.6% (2023: 29.4%) of the shares and 77.3% (2023: 76.7%) of the voting power in Carlsberg A/S, excluding treasury shares.

These financial statements were authorised for issue by the Board of Directors on 17 March 2025.

2 BASIS OF PREPARATION

The financial statements of the Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost basis except as disclosed in the material accounting policy information.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements are disclosed in Note 4.

(a) Standards, amendments to published standards and interpretations that are effective

The Group and the Company have applied the following amendments for the first time for the financial year beginning on 1 January 2024:

- Amendments to MFRS 101 Presentation of Financial Statements – 'Classification of Liabilities as Current or Non-current'
- Amendments to MFRS 101 Presentation of Financial Statements – 'Non-current Liabilities with Covenants'
- Amendments to MFRS 16 Leases – 'Lease Liability in a Sale and Leaseback'
- Amendments to MFRS 7 Financial Instruments: Disclosure and MFRS 107 Statements of Cash Flows – 'Supplier Finance Arrangements'

The adoption of Amendments to MFRS 107 and MFRS 7 'Supplier Finance Arrangements' resulted in changes in accounting policies. The amendments require new disclosures about the supplier finance arrangements ('SFA') that enable the users to understand the effects of SFA on the Group's and the Company's liabilities, cash flows and exposure to liquidity risk. As a result of adopting the amendments, the Group and the Company provided new disclosures for liabilities under SFAs as well as the associated cash flows in Note 19.

2 BASIS OF PREPARATION (CONTINUED)

(a) Standards, amendments to published standards and interpretations that are effective (continued)

Under the transitional provisions of the amendments, the Group and the Company are not required to disclose the following information in the first year of adoption:

- comparative information for any reporting periods presented before the beginning of the annual reporting period in which the Group and the Company first applies these amendments; and
- the information otherwise required by paragraph 44H(b)(ii)–(iii) of MFRS 107 as at the beginning of the annual reporting period in which the Group and the Company first applies these amendments.

The adoption of other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) Standards and amendments to published standards and interpretations that have been issued but not yet effective

New standards and amendments to standards and interpretations are effective for financial year beginning after 1 January 2025:

- Amendments to MFRS 121 'Lack of Exchangeability' (effective 1 January 2025) specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. In accordance with the amendments, the entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing when a currency is not exchangeable.
- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026) require financial assets to be derecognised on the date the contractual rights to the cash flows expire and financial liabilities to be derecognised when obligation under the contract is discharged (i.e. the settlement date). In addition, the amendments introduce an accounting policy choice for the derecognition of a financial liability settled using an electronic payment system before the settlement date. The amendments also clarify how contractual cash flows characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features should be assessed as well as application guidance regarding the assessment of financial assets with non-recourse features and contractually linked instruments. Additional disclosure requirements to improve transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income are also specified in said amendments.
- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) aims to enhance the financial reporting quality and replaces MFRS 101 Presentation of Financial Statements. The new standard introduces a new structure of profit or loss statement whereby income and expenses are classified into 3 new main categories:
  i. Operating category which typically includes results from the main business activities;
  ii. Investing category that presents the results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
  iii. Financing category that presents income and expenses from financing liabilities.

  The standard also requires the entity to present specific totals and subtotals in the statement of profit or loss, specifies the disclosure of management-defined performance measures as well as the aggregation and disaggregation of information in the financial statements and accompanying notes.
- MFRS 19 'Subsidiary without Public Accountability: Disclosures' (effective 1 January 2027) specify reduced disclosures to eligible subsidiaries that does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with MFRS Accounting Standards. The eligible subsidiaries can, but are not required to, apply MFRS 19 in its consolidated, separate or individual financial statements.

These new standards and amendments to these published standards will be adopted on the respective effective dates and shall be applied retrospectively. The Group is currently assessing the financial impact that may arise from the adoption of the above amendments to published standards.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The list of material accounting policy information applied in the preparation of these consolidated financial statements are set out below:

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

(iii) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated and the Company's financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

(iv) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Foreign currency

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(ii) Foreign currency transactions

Foreign currency differences arising on retranslation are recognised in profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the exchange reserve ("ER") in equity.

(iii) Operations denominated in functional currencies other than Ringgit Malaysia ("RM")

The assets and liabilities of operations denominated in functional currencies other than RM, including fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to RM at average exchange rates.

Foreign currency differences are recognised in other comprehensive income and accumulated in the ER in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

Subsequent costs, for example in connection with replacement of components of property, plant and equipment, are recognised in the carrying amount of the asset if it is probable that the costs will result in future economic benefits for the Group and the Company. The replaced components are derecognised to profit or loss. Costs incurred for ordinary repairs and maintenance are recognised in profit or loss as incurred.

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(c) Property, plant and equipment (continued)

(ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Assets under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

- Buildings 15 - 50 years
- Renovation 5 - 10 years
- Plant and machinery 3 - 20 years
- Motor vehicles 5 years
- Furniture and office equipment 3 - 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted as appropriate.

(d) Leases

(i) Accounting by lessee

Leases are recognised as right-of-use ("ROU") asset and a corresponding liability at the date on which the leased asset is available for use by the Group and the Company (i.e. the commencement date).

Leased assets (including leasehold land) are presented as a separate line item in statement of financial position.

Lease term

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The term is reassessed if a significant change in event or circumstances occurs. A revision in lease term results in remeasurement of the lease liabilities. See accounting policy on reassessment of lease liabilities.

ROU assets

ROU assets are initially measured at cost which consists of the initial lease liability and initial direct costs less any lease incentives received.

ROU assets are subsequently measured at cost, less accumulated amortisation and impairment loss (if any). The ROU assets are generally amortised over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and the Company is reasonably certain to exercise a purchase option, the ROU asset is amortised over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities. The Group has applied the practical expedient option allowed under standards by using a portfolio approach for the recognition of lease contracts related to assets of the same nature and with similar lease terms, i.e. cars.

The estimated useful lives for the current and comparative periods are as follows:

- Leasehold land 40 – 99 years
- Buildings 3 - 10 years

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(d) Leases (continued)

(i) Accounting by lessee (continued)

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group and the Company, the lessee's incremental borrowing is used.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Group and the Company present the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in profit or loss in the statement of comprehensive income.

Reassessment of lease liabilities

A remeasurement of the lease liability, for example a change in the assessment of an option to extend, results in a corresponding adjustment of the related right-of-use assets.

The Group and the Company reassess the circumstances leading to it not recognising extension or termination options on an ongoing basis.

Short-term leases and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets includes the lease of copy and printing machines. Payments associated with short-term leases and leases of low-value asset are recognised on a straight-line basis as an expense in profit or loss.

(ii) Accounting by lessor

As a lessor, the Group or the Company determines at lease inception whether each lease is a finance lease or an operating lease.

Operating leases

The Group or the Company classified a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee. The Group or the Company recognises lease payments received under operating lease as lease income on a straight-line basis over the lease term.

When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of underlying asset and recognised as an expense over the lease term on the same basis as lease income.

(e) Intangible assets

(i) Goodwill

Goodwill arises on business combinations is measured at cost less any accumulated impairment losses. In respect of equity-accounted associates, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted associates.

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Intangible assets (continued)

(ii) Customised computer software

Customised computer software that is not integral to the functionality of the related equipment is recognised as an intangible asset. These intangible assets that are acquired by the Group or the Company are stated at cost less any accumulated amortisation and any accumulated impairment losses.

(iii) Amortisation

Goodwill is not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

Other intangible assets are amortised from the date that they are available for use. Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in administrative expenses in profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Assets under development are not amortised until the intangible assets are ready for their intended use.

The estimated useful life of customised computer software is 3-10 years.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

(g) Trade and other receivables

Trade receivables are amounts due from customers for goods sold performed in the ordinary course of business. Other receivables generally arise from transactions outside the ordinary course of business of the Group and of the Company. The Group enters into factoring agreements on a non-recourse basis, which involves selling trade receivables to a factor. Trade receivables subject to factoring agreements are derecognised once the criteria for derecognition have been met and all substantial risk and rewards transferred. The Group does not have any continuing involvement once the receivables have been derecognised.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value. Other receivables are recognised initially at fair value.

Trade and other receivables are subsequently measured at amortised cost using the effective interest method and fair value through other comprehensive income, less loss allowance. Details on the Group's and the Company's impairment policies of trade and other receivables are provided in Note 3(s).

(h) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short-term commitment. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Equity instruments

Instruments classified as equity (ie. ordinary shares) are measured at cost on initial recognition and are not remeasured subsequently.

(i) Dividend distribution

Liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

Distributions to holders of an equity instrument is recognised directly in equity.

(j) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

(ii) State plans

The Group's and the Company's contribution to the statutory pension funds are charged to profit or loss in the financial year to which they relate. Once the contributions have been paid, the Group and the Company have no further payment obligations.

(iii) Share-based payment transactions

Certain employees of the Group and the Company are entitled to a share-based incentive programme established by Carlsberg A/S that is categorised as performance shares. Entitlement to performance shares requires fulfilment of service in the vesting period (2-3 years). The shares are transferred to the recipients based on the KPIs attached to the shares. The number of performance shares granted is the maximum number of performance shares that can vest. The number of shares outstanding at the end of the period is the numbers to vest, based on the extent to which the vesting conditions are expected to be met. The numbers of shares expected to vest is revised on a regular basis.

Any reimbursement to Carlsberg A/S in relation to the share-based incentive programme is treated as a capital distribution and would be recorded directly in equity as equity contribution reserve.

(k) Payables

Payables represent liabilities for sales tax payable to customs and goods or services provided to the Group and the Company prior to the end of financial year which are unpaid. Payables are recognised initially at fair value. Payables are subsequently measured at amortised cost using the effective interest method.

(l) Borrowings and borrowing costs

(i) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(m) Revenue and other income

Revenue from contracts with customers

(i) Goods sold

Revenue from contracts with customers comprises sales of beverages, sales of by-products and others.

Revenue from the sale of own-produced finished goods and by-products is recognised at the point in time when the control of goods and products is transferred to the customer with a right of return within a specified period, the Group and the Company consider the timing of recognition.

Revenue from contracts with customers is measured at an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods. Amounts disclosed as revenue is net of discounts and trade offers.

Excise duties are imposed by the tax authorities and payable by the Group to the authorities at brewery or bonded warehouse upon leaving the warehouse. Sales tax is imposed by the tax authorities and payable by the Group to the authorities when the goods are sold to the customers.

Both excise duties and sales tax are borne by the Group and are not based on sales value sold to the customers, and therefore are recognised as part of the cost of sales.

The Group and the Company consider whether contracts include other promises that constitute separate performance obligations and to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group and the Company consider the effects of variable consideration such that the revenue is measured at an amount that reflects the expected consideration for those goods. No element of financing is deemed present, as payment is generally made on the basis of cash on delivery or up to 60 days of credit.

Variable consideration

The sales of beverages are often sold with various discounts depending on nature of customer and business. Customer discounts comprise on-invoice discounts, volume and activity-related discounts and other discounts.

On-invoice discounts arise from sales transactions where the customer immediately receives a reduction in the sales price. This also includes cash discounts and incentives for early payments.

Volume discounts are incentives for customers to sustain continued business with the Group and the Company and may be related to a current campaign or a sales target measured in volumes or total value. Examples include discounts paid as a lump sum, discounts for meeting all or certain sales targets or for exceeding targets.

Activity-related discounts are incentives for customers related to an event or promotional campaign offered with specific promotion prices. Examples include discounts paid as lump sum or progressive discounts offered in step with increasing sales to a customer.

Other discounts in relation to consideration payable to a customer include listing fees, i.e. fees for certain listings on shelves, in coolers or in favourable store locations, as such specific promotions are closely related to the volumes sold. Consideration payable to a customer is recorded as a reduction of the arrangement's transaction price, thereby reducing the amount of revenue recognised, unless the payment is for a distinct good or service received from the customer. Consideration paid in excess of the fair value received reduces the transaction price of the arrangement with the customer and would represent a discount to the customer.

Material accounting estimates and assumptions on trade offer accruals are provided in Note 4(i).

NOTES TO THE FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(m) Revenue and other income (continued)

Other income

(i) Management fee

Fee from management is recognised over time when the services are rendered.

(ii) Dividend income

Dividend income is recognised when the right to receive payment is established.

(n) Income tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, and the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred tax liability is recognised for all taxable temporary differences associated with investment in associate, except where the timing difference is controlled by the investor and it is probable that the temporary difference will not reverse in the foreseeable future. Generally, the investor is unable to control the reversal of the temporary difference for associate. Only where there is an agreement in place that gives the investor the ability to control the reversal of the temporary difference, a deferred tax liability is not recognised.

(o) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Managing Director of the Group, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(p) Contingencies

(i) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably.

(ii) Contingent assets

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(q) Financial instruments

Classification – financial assets

The Group and the Company classify its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost

The Group and the Company reclassify debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition – financial assets

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Group and the Company commit to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

Measurement – financial assets

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely for payment of principal and interest ("SPPI").

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. The Group and the Company classify its debt instruments under the following categories:

(i) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains or losses together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income.

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(q) Financial instruments (continued)

Debt instruments (continued)

(ii) FVTPL

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. The Group and the Company may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. Fair value changes are recognised in profit or loss in the period which it arises.

(iii) FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gains or losses previously recognised in OCI is reclassified from equity to profit or loss.

(r) Derivative and hedging activities

Derivative financial instruments are initially recognised in the statement of financial position at fair value at the trade date and subsequently re-measured at fair value at the end of each reporting period. Attributable transaction costs are recognised in the profit or loss.

(i) Cash flow hedge

The Group and the Company designate and document, at the inception of a hedging transaction, the hedging relationship so that the risk being hedged, the hedged item and the hedging instrument are clearly identified and the risk in the hedged item is the risk being hedged with the hedging instrument. Hedge accounting is only applied when the Group expects the derivative financial instrument to be highly effective in offsetting the designated hedged risk associated with the hedged item.

Changes in the portion of fair value of derivative financial instruments designated as and qualifying as a cash flow hedge and which effectively hedge changes in the value of the hedged item, are recognised in OCI. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. When the hedged transaction results in gains or losses, amounts previously recognised in OCI are transferred to the same item as the hedged item when the hedged item is recognised in the profit or loss. When the hedged item is a non-financial asset, the amount recognised in OCI is transferred to the carrying amount of the asset when the non-financial asset is recognised.

The Group monitors the cash flow hedge relationship twice a year to assess whether the hedge is still effective.

(ii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss.

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Impairment of assets

Impairment of financial assets

The Group and the Company apply the simplified approach to measure expected credit losses ("ECL") on trade receivables measured at amortised cost, FVOCI and trade intercompany balances. This entails recognising a lifetime expected loss allowance for all trade receivables. Loss rates are determined based on grouping of receivables sharing the same credit risk characteristics and past due days.

Management assesses the ECL for portfolios of trade receivables based on customer segments, historical information on payment patterns, terms of payment, concentration maturity, and information about the general economic situation in the countries.

No significant changes to estimation techniques or assumptions were made during the reporting period.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

A significant increase in credit risk is presumed if a debtor is more than 60 days past due in making a contractual payment which is based on past payment trends. Credit risk on trade receivables can be reduced through bank guarantees.

For other receivables and non-trade intercompany balances, the Group and the Company apply 3-stage approach to measure ECL which reflect their credit risk and how the loss allowance is determined. The Group and the Company assessed the intercompany receivables as performing category with a low risk of default and a strong capacity to meet contractual cash flows. The basis of measuring ECL are based on 12 months ECL.

Groupings of instruments for ECL measured on collective basis

(i) Collective assessment

To measure ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

(ii) Individual assessment

Trade receivables that are in default or credit impaired are assessed individually.

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill or intangible assets not ready to use, are not subject to amortisation and are tested annually for impairment. The Group and the Company also assess goodwill and other assets that are subject to amortisation for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGUs"). Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a CGU or a group of CGUs that are expected to benefit from the synergies of the combination.

NOTES TO THE FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Impairment of assets (continued)

Impairment of non-financial assets (continued)

The recoverable amount of an asset or CGU is the greater of its value-in-use ("VIU") and its fair value less costs of disposal. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or its related CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amounts of the other assets in the CGU (groups of CGUs) on a pro rata basis. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in profit or loss.

(t) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

(u) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

4 MATERIAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The application of accounting standards and policies requires the Group to make estimates and assumptions about future events that directly affect its reported financial condition and operating performance. The accounting estimates and assumptions discussed below are those that the Group considers to be most critical to its financial statements. An accounting estimate is considered critical if both (a) the nature of estimates or assumptions is material due to the level of subjectivity and judgement involved, and (b) the impact within a reasonable range of outcomes of the estimates and assumptions is material to the Group's financial condition of operating performance.

(i) Trade offer accruals

The Group estimates trade offer accruals using either the expected value method or the most likely amount method depending on which method better predicts the amount of consideration to which the customers will be entitled.

The expected value method is used for contracts with more than one threshold due to the complexity and the activities agreed with the individual customer during the year.

Trade offer accruals consist primarily of trade discounts and sales volume rebates which are recognised based on agreed trading terms and promotional activities with trade customers and distributors. Volume related discounts are typically associated with certain sales targets to be achieved by the customers and distributors. Activity related discounts are typically associated with conditional events or promotional campaigns based on the agreed promotional prices with the customers. These trade offers represent variable considerations which the Group estimates using either expected value method or the most likely amount method depending on which method better predicts the amount of consideration based on the terms of the contracts and historical experience. Management is required to make estimates on the sales volume to be achieved by the customers and distributors to determine the trade offers.

The senior management of the Group regularly reviews and updates its estimate of trade offers accruals at each reporting date until the uncertainty is resolved.

5 REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
- Sales of beverages	**2,374,210**	2,258,930	**1,256,271**	1,106,396
- Sales of by-products and others	**2,202**	1,969	**2,074**	1,584
Revenue from contracts with customers	**2,376,412**	2,260,899	**1,258,345**	1,107,980

NOTES TO THE FINANCIAL STATEMENTS

6 OPERATING PROFIT

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Operating profit is arrived at after charging:				
Amortisation of:				
- Intangible assets	**1,634**	1,221	**895**	623
- Right-of-use assets	**6,142**	4,550	**3,586**	2,139
Audit fees:				
- PricewaterhouseCoopers PLT	**437**	372	**293**	237
- PricewaterhouseCoopers International Limited	**335**	270	**-**	-
- Other auditor	**21**	13	**21**	13
Audit related services				
- PricewaterhouseCoopers PLT	**11**	11	**11**	11
Excise duties and sales tax	**1,136,190**	1,085,208	**866,677**	767,786
Finance costs:				
- Interest on borrowings	**3,648**	5,396	**2,611**	3,958
- Interest on lease liabilities	**464**	368	**365**	268
- Interest on cash pooling	**-**	-	**5,012**	4,402
Foreign exchange loss:				
- Realised	**957**	1,989	**998**	1,811
- Unrealised	**-**	124	**-**	153
Inventories:				
- Written down	**-**	-	**-**	945
- Written off	**9,396**	5,661	**6,135**	263
Trade and other receivables:				
- Loss allowance	**3,334**	108	**-**	-
- Written off	**315**	161	**129**	-
Personnel expenses (including key management personnel):				
- Wages, salaries and others	**156,811**	144,921	**47,425**	37,841
- Contributions to Employees Provident Fund	**13,440**	10,934	**4,313**	3,124
- Contributions to other defined contribution plan	**1,584**	1,607	**733**	709
- Share-based payment expenses	**1,714**	1,869	**432**	1,575
Property, plant and equipment:				
- Depreciation*	**62,346**	56,685	**54,097**	48,006
- Impairment losses	**-**	85	**-**	85
- Written off	**953**	1,260	**942**	1,102
Management fees charged from related companies	**19,691**	15,212	**10,454**	8,286
Lease expenses relating to short-term and low value assets	**1,098**	1,075	**223**	159

* Included in the depreciation of property, plant and equipment of the Group and of the Company are accelerated depreciation on 'plant and machinery' amounting to RM1,875,000 arising from the discontinuation of the ammonia plant that will be replaced in 2025 (2023: RM6,617,000 arising from the discontinuation of the canning line and filtration system that were replaced in 2024).

6 OPERATING PROFIT (CONTINUED)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Operating profit is arrived at after crediting:				
Dividend income from:				
- Unquoted subsidiaries	**-**	-	**378,562**	282,524
- A foreign quoted associate	**-**	-	**9,199**	17,847
Finance income	**916**	556	**547**	1
Unrealised gain on foreign exchange	**2,027**	-	**2,471**	-
Management fees charged to a subsidiary	**-**	-	**28,407**	22,066
Operating lease income from a subsidiary	**-**	-	**954**	954
Reversal of inventories written down	**5,095**	2,417	**4,817**	-
Property, plant and equipment:				
- Gain on disposal	**1,833**	388	**488**	10
- Reversal of impairment losses	**1,760**	-	**1,760**	-
Deposit liabilities written off	**2,914**	-	**1,645**	-

7 TAXATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current taxation				
Current tax:				
- Malaysian income tax	**79,835**	73,282	**131**	-
- Foreign income and withholding tax	**11,421**	18,038	**1,380**	2,677
- (Over)/under provision in prior years	**(116)**	718	**-**	-
	91,140	92,038	**1,511**	2,677
Deferred taxation (Note 14):				
- Origination/(reversal) of temporary differences	**16,458**	(9,843)	**5,818**	(12,719)
Tax expense/(credit)	**107,598**	82,195	**7,329**	(10,042)

NOTES TO THE FINANCIAL STATEMENTS

7 TAXATION (CONTINUED)

A reconciliation of income tax expense/(credit) applicable to profit before taxation at the statutory income tax rate to income tax expense/(credit) at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation	**448,342**	417,053	**409,736**	294,156
Statutory income tax at rate of 24% (2023: 24%)	**107,602**	100,093	**98,337**	70,597
Tax effects of:				
- Withholding tax on dividend income from a foreign quoted associate	**1,380**	2,677	**1,380**	2,677
- Different tax rates in foreign jurisdiction	**(4,598)**	(6,059)	**-**	-
- Income not subject to tax	**-**	-	**(93,063)**	(72,089)
- Expenses not deductible for tax purposes	**1,738**	1,355	**564**	337
- Share of results of an associate	**(8,552)**	(5,630)	**-**	-
- Tax effect of undistributed profits of associate	**4,959**	-	**-**	-
- Recognition of deferred tax assets arising from reinvestment allowances	**-**	(11,319)	**-**	(11,319)
- Recognition of previously unrecognised temporary differences	**5,185**	360	**111**	(245)
- (Over)/under provision in prior years	**(116)**	718	**-**	-
Tax expense/(credit)	**107,598**	82,195	**7,329**	(10,042)
- Average effective tax rate (%)	**24.0**	19.7	**1.8**	(3.4)

In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognised in other comprehensive income:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax				
Items that will not be reclassified subsequently to profit or loss:				
- fair value of financial instruments treated as cash flow hedges	**225**	1,475	**225**	1,475

8 EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share as at 31 December 2024 and 2023 was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding calculated as follows:

	Group	
	2024 RM'000	2023 RM'000
Profit for the financial year attributable to shareholders	**337,083**	327,256

Weighted average number of ordinary shares:

	Group	
	2024 '000	2023 '000
Issued ordinary shares	**305,748**	305,748
Basic earnings per ordinary share (sen)	**110.25**	107.03

The diluted earnings per share of the Group is equal to the basic earnings per share as the Group does not have any dilutive potential ordinary shares in issue.

NOTES TO THE FINANCIAL STATEMENTS

9 PROPERTY, PLANT AND EQUIPMENT

	Note	Freehold land RM'000	Buildings RM'000	Renovation RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture and office equipment RM'000	Assets under construction RM'000	Total RM'000
Group									
Cost									
At 1 January 2023		18,952	93,136	5,693	536,804	11,805	12,897	10,833	690,120
Additions[1]		-	6,116	-	38,138	3,915	1,502	24,608	74,279
Disposals		-	-	-	(836)	(1,477)	(266)	-	(2,579)
Written off		-	(489)	-	(11,204)	(54)	(1,405)	-	(13,152)
Transfers		-	8,419	-	822	-	-	(9,241)	-
Transfer to intangible assets	10	-	-	-	-	-	-	(714)	(714)
Effect of movements in exchange rates		-	-	298	386	-	272	-	956
At 31 December 2023/1 January 2024		**18,952**	**107,182**	**5,991**	**564,110**	**14,189**	**13,000**	**25,486**	**748,910**
Additions[1]		**-**	**17,955**	**11**	**88,323**	**3,785**	**1,362**	**4,235**	**115,671**
Disposals		**-**	**(154)**	**-**	**(37,677)**	**(7,144)**	**(91)**	**-**	**(45,066)**
Written off		**-**	**(977)**	**-**	**(39,304)**	**-**	**(885)**	**-**	**(41,166)**
Transfers		**-**	**4,209**	**70**	**17,653**	**-**	**162**	**(22,094)**	**-**
Transfer to intangible assets	10	**-**	**-**	**-**	**-**	**-**	**-**	**(1,108)**	**(1,108)**
Effect of movements in exchange rates		**-**	**-**	**(288)**	**(473)**	**-**	**(283)**	**(28)**	**(1,072)**
At 31 December 2024		**18,952**	**128,215**	**5,784**	**592,632**	**10,830**	**13,265**	**6,491**	**776,169**

[1] Includes RM34,048,000 (2023: RM19,905,000) in capital expenses related to property, plant and equipment due payable as disclosed in the Statements of Cash Flows.

9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold land RM'000	Buildings RM'000	Renovation RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture and office equipment RM'000	Assets under construction RM'000	Total RM'000
Group									
Less: Accumulated depreciation									
At 1 January 2023		-	44,429	2,795	319,363	7,392	9,411	-	383,390
Depreciation for the financial year	6	-	5,362	1,010	47,636	1,092	1,585	-	56,685
Disposals		-	-	-	(788)	(1,181)	(266)	-	(2,235)
Written off		-	(262)	-	(10,182)	(43)	(1,405)	-	(11,892)
Impairment losses		-	-	-	85	-	-	-	85
Effect of movements in exchange rates		-	-	185	285	-	193	-	663
At 31 December 2023/1 January 2024		**-**	**49,529**	**3,990**	**356,399**	**7,260**	**9,518**	**-**	**426,696**
Depreciation for the financial year	6	**-**	**6,827**	**26**	**52,044**	**1,381**	**2,068**	**-**	**62,346**
Disposals		**-**	**(154)**	**-**	**(37,658)**	**(5,709)**	**(78)**	**-**	**(43,599)**
Written off		**-**	**(504)**	**-**	**(38,825)**	**-**	**(884)**	**-**	**(40,213)**
Reversal of impairment losses		**-**	**-**	**-**	**(1,760)**	**-**	**-**	**-**	**(1,760)**
Effect of movements in exchange rates		**-**	**-**	**(210)**	**(352)**	**-**	**(252)**	**-**	**(814)**
At 31 December 2024		**-**	**55,698**	**3,806**	**329,848**	**2,932**	**10,372**	**-**	**402,656**
Carrying amounts									
At 31 December 2024		**18,952**	**72,517**	**1,978**	**262,784**	**7,898**	**2,893**	**6,491**	**373,513**
At 31 December 2023		18,952	57,653	2,001	207,711	6,929	3,482	25,486	322,214

NOTES TO THE FINANCIAL STATEMENTS

9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture and office equipment RM'000	Assets under construction RM'000	Total RM'000
Company								
Cost								
At 1 January 2023		18,952	91,292	507,221	720	6,741	10,833	635,759
Additions[1]		-	6,116	27,566	-	870	23,140	57,692
Disposals		-	-	-	-	(266)	-	(266)
Written off		-	(207)	(9,958)	-	(1,309)	-	(11,474)
Transfers		-	8,419	822	-	-	(9,241)	-
Transfer to intangible assets	10	-	-	-	-	-	(714)	(714)
At 31 December 2023/1 January 2024		**18,952**	**105,620**	**525,651**	**720**	**6,036**	**24,018**	**680,997**
Additions[1]		**-**	**17,881**	**83,344**	**-**	**510**	**4,794**	**106,529**
Disposals		**-**	**(154)**	**(35,686)**	**-**	**-**	**(1,537)**	**(37,377)**
Written off		**-**	**(901)**	**(39,304)**	**-**	**(884)**	**-**	**(41,089)**
Transfers		**-**	**4,209**	**17,653**	**-**	**25**	**(21,887)**	**-**
Transfer to intangible assets	10	**-**	**-**	**-**	**-**	**-**	**(579)**	**(579)**
At 31 December 2024		**18,952**	**126,655**	**551,658**	**720**	**5,687**	**4,809**	**708,481**

[1] Includes RM31,709,000 (2023: RM19,905,000) in capital expenses related to property, plant and equipment due payable as disclosed in the Statements of Cash Flows.

9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture and office equipment RM'000	Assets under construction RM'000	Total RM'000
Company								
Less: Accumulated depreciation								
At 1 January 2023		-	43,448	300,506	9	5,573	-	349,536
Depreciation for the financial year	6	-	5,215	42,190	115	486	-	48,006
Disposals		-	-	-	-	(266)	-	(266)
Written off		-	(115)	(8,948)	-	(1,309)	-	(10,372)
Impairment losses		-	-	85	-	-	-	85
At 31 December 2023/1 January 2024		**-**	**48,548**	**333,833**	**124**	**4,484**	**-**	**386,989**
Depreciation for the financial year	6	**-**	**6,716**	**46,624**	**115**	**642**	**-**	**54,097**
Disposals		**-**	**(154)**	**(35,686)**	**-**	**-**	**-**	**(35,840)**
Written off		**-**	**(438)**	**(38,825)**	**-**	**(884)**	**-**	**(40,147)**
Reversal of impairment losses		**-**	**-**	**(1,760)**	**-**	**-**	**-**	**(1,760)**
At 31 December 2024		**-**	**54,672**	**304,186**	**239**	**4,242**	**-**	**363,339**
Carrying amounts								
At 31 December 2024		**18,952**	**71,983**	**247,472**	**481**	**1,445**	**4,809**	**345,142**
At 31 December 2023		18,952	57,072	191,818	596	1,552	24,018	294,008

9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

9.1 Leasing arrangements

The Company leases certain buildings with carrying amount of RM7,185,000 (2023: RM6,397,000) to a subsidiary under operating leases with rentals payable monthly.

Minimum lease receivable on buildings are as follows:

	Company	
	2024 RM'000	2023 RM'000
Within 1 year	**1,244**	954
Between 1 and 2 years	**1,244**	954
Between 2 and 3 years	**1,244**	954
Between 3 and 4 years	**1,244**	954
Between 4 and 5 years	**1,244**	954
More than 5 years	**1,434**	1,020
	7,654	5,790

10 INTANGIBLE ASSETS

	Note	Goodwill RM'000	Computer software RM'000	Assets under development RM'000	Total RM'000
Group					
Cost					
At 1 January 2023		2,634	13,200	-	15,834
Acquisition		-	1,127	-	1,127
Transfer from property, plant and equipment	9	-	714	-	714
Written off		-	(831)	-	(831)
Effects of movements in exchange rates		-	222	-	222
At 31 December 2023/1 January 2024		**2,634**	**14,432**	**-**	**17,066**
Acquisition[(1)]		**-**	**1,383**	**6,199**	**7,582**
Transfer from property, plant and equipment	9	**-**	**1,108**	**-**	**1,108**
Written off		**-**	**(325)**	**-**	**(325)**
Effects of movements in exchange rates		**-**	**(227)**	**-**	**(227)**
At 31 December 2024		**2,634**	**16,371**	**6,199**	**25,204**
Amortisation					
At 1 January 2023		-	11,253	-	11,253
Amortisation for the financial year	6	-	1,221	-	1,221
Written off		-	(831)	-	(831)
Effects of movements in exchange rates		-	184	-	184
At 31 December 2023/1 January 2024		**-**	**11,827**	**-**	**11,827**
Amortisation for the financial year	6	**-**	**1,634**	**-**	**1,634**
Written off		**-**	**(325)**	**-**	**(325)**
Effects of movements in exchange rates		**-**	**(207)**	**-**	**(207)**
At 31 December 2024		**-**	**12,929**	**-**	**12,929**
Carrying amounts					
At 31 December 2024		**2,634**	**3,442**	**6,199**	**12,275**
At 31 December 2023		2,634	2,605	-	5,239

(1) Includes RM3,937,000 in capital expenses related to intangible assets due payable as disclosed in the Statements of Cash Flows.

NOTES TO THE FINANCIAL STATEMENTS

10 INTANGIBLE ASSETS (CONTINUED)

	Note	Computer software RM'000	Assets under development RM'000	Total RM'000
Company				
Cost				
At 1 January 2023		4,342	-	4,342
Acquisition		930	-	930
Transfer from property, plant and equipment	9	714	-	714
Written off		(312)	-	(312)
At 31 December 2023/1 January 2024		**5,674**	**-**	**5,674**
Additions[1]		**344**	**2,454**	**2,798**
Transfer from property, plant and equipment	9	**579**	**-**	**579**
Written off		**(168)**	**-**	**(168)**
At 31 December 2024		**6,429**	**2,454**	**8,883**
Amortisation				
At 1 January 2023		3,543	-	3,543
Amortisation for the financial year	6	623	-	623
Written off		(312)	-	(312)
At 31 December 2023/1 January 2024		**3,854**	**-**	**3,854**
Amortisation for the financial year	6	**895**	**-**	**895**
Written off		**(168)**	**-**	**(168)**
At 31 December 2024		**4,581**	**-**	**4,581**
Carrying amounts				
At 31 December 2024		**1,848**	**2,454**	**4,302**
At 31 December 2023		1,820	-	1,820

[1] Includes RM1,691,000 in capital expenses related to intangible assets due payable as disclosed in the Statements of Cash Flows.

10 INTANGIBLE ASSETS (CONTINUED)

10.1 Impairment testing for CGUs containing goodwill

For the purpose of impairment testing, goodwill of RM2,634,000 (2023: RM2,634,000) arose from the Group's acquisition of MayBev Pte. Ltd., a 51% owned subsidiary incorporated in Singapore which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The recoverable amount of the CGU was based on its VIU calculations. The recoverable amount for the CGU was higher than the aggregate carrying amount of the identifiable net assets and goodwill allocated and hence, no impairment was recognised during the financial year.

The VIU of the CGU was determined by discounting the future cash flows forecasted to be generated from the continuing use of the CGU. The key assumptions used for the CGU were as follows:

	2024	2023
Sales volume (% annual growth)	**1.9%**	-0.8%
Long-term growth rate (% per annum)	**1.0%**	1.0%
Pre-tax discount rate (% per annum)	**6.8%**	7.4%

The 5-year cash flows forecast were based on the average annual growth of sales volume based on past performance and management's expectation of market development. The discount rates used to discount the future cash flows are pre-tax and reflect the specific risks relating to the CGU.

The Directors of the Company believe that no reasonable possible changes in the key assumptions would cause the carrying amount of the CGU to exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

11 RIGHT-OF-USE ASSETS/LEASES

11.1 Amounts recognised in the statements of financial position:

Right-of-use assets

	Note	Leasehold land RM'000	Offices and warehouses RM'000	Total RM'000
Group				
Net book value				
At 1 January 2024		**6,210**	**11,118**	**17,328**
Lease modification		**-**	**8,428**	**8,428**
Amortisation charge for the financial year	6	**(122)**	**(6,020)**	**(6,142)**
Effect of movements in exchange rates		**-**	**(53)**	**(53)**
At 31 December 2024		**6,088**	**13,473**	**19,561**
At 31 December 2024				
Cost		**10,571**	**32,207**	**42,778**
Accumulated amortisation		**(4,483)**	**(18,734)**	**(23,217)**
		6,088	**13,473**	**19,561**
Net book value				
At 1 January 2023		6,332	4,384	10,716
Additions		-	10,396	10,396
Amortisation charge for the financial year	6	(122)	(4,428)	(4,550)
Effect of movements in exchange rates		-	766	766
At 31 December 2023		6,210	11,118	17,328
At 31 December 2023				
Cost		10,571	24,545	35,116
Accumulated amortisation		(4,361)	(13,427)	(17,788)
		6,210	11,118	17,328

11 RIGHT-OF-USE ASSETS/LEASES (CONTINUED)

11.1 Amounts recognised in the statements of financial position: (continued)

Right-of-use assets (continued)

	Note	Leasehold land RM'000	Offices and warehouse RM'000	Total RM'000
Company				
Net book value				
At 1 January 2024		**6,154**	**8,375**	**14,529**
Amortisation charge for the financial year	6	**(118)**	**(3,468)**	**(3,586)**
At 31 December 2024		**6,036**	**4,907**	**10,943**
At 31 December 2024				
Cost		**10,399**	**10,396**	**20,795**
Accumulated amortisation		**(4,363)**	**(5,489)**	**(9,852)**
		6,036	**4,907**	**10,943**
Net book value				
At 1 January 2023		6,272	-	6,272
Additions		-	10,396	10,396
Amortisation charge for the financial year	6	(118)	(2,021)	(2,139)
At 31 December 2023		6,154	8,375	14,529
At 31 December 2023				
Cost		10,399	10,396	20,795
Accumulated amortisation		(4,245)	(2,021)	(6,266)
		6,154	8,375	14,529

NOTES TO THE FINANCIAL STATEMENTS

11 RIGHT-OF-USE ASSETS/LEASES (CONTINUED)

11.1 Amounts recognised in the statements of financial position: (continued)

Lease liabilities

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current	**6,095**	5,571	**4,220**	2,854
Non-current	**8,804**	6,364	**1,842**	6,061
	14,899	11,935	**6,062**	8,915

11.2 Amounts recognised in the statements of comprehensive income and statements of cash flows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amortisation charge of right-of-use assets				
Leasehold land	**122**	122	**118**	118
Offices and warehouses	**6,020**	4,428	**3,468**	2,021
	6,142	4,550	**3,586**	2,139
Interest expense (included in finance cost)	**464**	368	**365**	268
Lease expenses relating to short-term and low value assets that are not shown above (included in sales, distribution and administrative expenses)	**1,098**	1,075	**223**	159

The Group's and the Company's total cash outflow for all leases including leases expenses relating to short-term and low value assets in 2024 are RM6,958,000 (2023: RM5,489,000) and RM3,441,000 (2023: RM1,908,000) respectively.

11.3 The Group's leasing activities

The Group leases land, offices and warehouses. Rental contracts are typically made for fixed periods of 3 to 6 years, but may have extension or termination options.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Extension and termination options are included in a number of offices across the Group. Extension and termination options are included, when possible, to provide the Group with greater flexibility to align its need for access to the offices.

The Group did not include potential lease payments from extension options that is not reasonably certain to exercise. The undiscounted potential future lease payments that have not been included in lease liabilities for the Group amounting to RM3,438,000 (2023: RM13,197,000).

12 INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Unquoted shares – at cost / carrying value	**391,572**	391,572

The following are the subsidiaries of the Group:

Name of company	Principal activities	Principal place of business/ country of incorporation	Effective ownership interest 2024 %	Effective ownership interest 2023 %
Carlsberg Marketing Sdn. Bhd.	Marketing and distribution of beer, stout, cider, shandy and non-alcoholic beverages	Malaysia	**100**	100
Euro Distributors Sdn. Bhd.	Marketing and distribution of non-alcoholic beverages	Malaysia	**100**	100
Carlsberg Singapore Pte. Ltd.#	Importation and marketing of beer and liquor products	Singapore	**100**	100
MayBev Pte. Ltd.#	Importation and marketing of beer and liquor products	Singapore	**51**	51

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12 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

12.1 Impairment review of investments in subsidiaries

The Company assesses impairment indicators of its investments in its subsidiaries at the end of each reporting period in accordance with the accounting policy stated in Note 3(s). The Company's cost of investment in Carlsberg Singapore Pte. Ltd. was higher than its net assets as of 31 December 2024. Accordingly, impairment assessment had been performed by the Company. The recoverable amount of the CGU was based on its VIU calculations. The VIU of the CGU was determined by discounting the future cash flows forecasted to be generated from the continuing use of the CGU.

The 5-year cash flow forecasts were based on the average annual growth of sales volume based on past performance and management's expectations of market development. The discount rates used to discount the future cash flows are pre-tax and reflect the specific risks relating to the CGU.

The key assumptions used for the CGU Carlsberg Singapore Pte. Ltd. were as follows:

	2024	2023
Sales volume (% annual growth)	**1.9%**	2.0%
Long-term growth rate (% per annum)	**1.0%**	1.0%
Pre-tax discount rate (% per annum)	**6.8%**	7.4%

For Carlsberg Singapore Pte. Ltd., the recoverable amount computed in its VIU analysis was higher than the carrying amount of its cost of investment and therefore, no impairment was recognised during the financial year. The Company's cost of investment in Carlsberg Singapore Pte. Ltd. as at 31 December 2024 was RM389,663,000. There are no reasonable possible changes in any of the key assumptions used that would cause the carrying amount of the CGU to materially exceed its recoverable amount.

12.2 The Group's subsidiary that has material non-controlling interest ("NCI") is as follows:

	Effective ownership interest held by NCI	
	2024 %	2023 %
MayBev Pte. Ltd.	**49**	49

12 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

12.2 The Group's subsidiary that has material non-controlling interest ("NCI") is as follows: (continued)

Set out below is the summarised financial information for MayBev Pte. Ltd., the subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed are before inter-company eliminations.

	2024 RM'000	2023 RM'000
At 31 December		
Non-current assets	**9,048**	2,639
Current assets	**41,231**	50,085
Non-current liabilities	**(7,343)**	(2,500)
Current liabilities	**(30,728)**	(34,310)
Net assets	**12,208**	15,914
Accumulated non-controlling interests	**5,046**	5,498
Year ended 31 December		
Revenue	**101,146**	133,773
Profit for the financial year	**7,472**	15,515
Total comprehensive income	**7,472**	15,515
Profit attributable to non-controlling interests	**3,661**	7,602
Dividends paid to non-controlling interests	**5,154**	8,566
Cash flow generated from operating activities	**7,295**	21,924
Cash flow used in investing activities	**(11)**	(335)
Cash flow used in financing activities	**(13,892)**	(20,386)
Net changes in cash and cash equivalents	**(6,608)**	1,203

NOTES TO THE FINANCIAL STATEMENTS

13 INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Quoted shares, outside Malaysia	**25,164**	25,164	**25,164**	25,164
Share of post-acquisition reserves	**97,354**	63,478	**-**	-
	122,518	88,642	**25,164**	25,164
Market value				
Quoted shares, outside Malaysia	**363,189**	261,566	**363,189**	261,566

The fair value of the investment in the associate falls under Level 1 in the fair value level hierarchy.

Name of company	Principal activities	Principal place of business/ country of incorporation	Effective ownership interest 2024 %	Effective ownership interest 2023 %
Lion Brewery (Ceylon) PLC	Manufacturing, marketing and distribution of beer, stout, cider, shandy and non-alcoholic beverages	Sri Lanka	**25**	25

Summary financial information on associate:

	2024 RM'000	2023 RM'000
At 31 December		
Non-current assets	**396,363**	368,602
Current assets	**442,852**	368,651
Non-current liabilities	**(87,364)**	(118,697)
Current liabilities	**(261,795)**	(264,000)
Net assets	**490,056**	354,556
Year ended 31 December		
Revenue	**1,866,958**	1,457,406
Interest income	**15,456**	19,592
Interest expense	**(29,681)**	(46,523)
Tax expense	**(92,698)**	(74,427)
Profit for the financial year	**142,536**	107,051
Total comprehensive income	**142,536**	107,051

13 INVESTMENT IN AN ASSOCIATE (CONTINUED)

Summary financial information on associate: (continued)

	2024 RM'000	2023 RM'000
Year ended 31 December		
Group's share of profit of equity-accounted associate, net of tax	**35,635**	23,457
Dividends received from associate, net of withholding tax	**7,819**	15,170
Reconciliation to carrying amount:		
Net assets as at 1 January	**354,556**	267,487
Profit for the financial year	**142,536**	107,051
Dividend paid	**(36,795)**	(71,389)
Exchange differences	**29,759**	51,407
Net assets as at 31 December	**490,056**	354,556
Group's share of net assets	**122,518**	88,642
Carrying amount	**122,518**	88,642

In conjunction with the investment undertaken in Lion Brewery (Ceylon) PLC, the Company had written a call option with the principal licensor, Carlsberg A/S, its ultimate holding company incorporated in Denmark, allowing Carlsberg A/S to acquire the Company's interest in the associate, should certain events occur. The purchase consideration is to be based on an agreed formula and in any event to be a minimum of the original purchase price paid by the Company. The Directors of the Company consider the likelihood of occurrence of such events as remote and therefore, has deemed the option's fair value to be insignificant.

NOTES TO THE FINANCIAL STATEMENTS

14 DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Group						
Property, plant and equipment	**-**	-	**(23,561)**	(16,246)	**(23,561)**	(16,246)
Right-of-use assets	**-**	-	**(2,634)**	(2,476)	**(2,634)**	(2,476)
Trade and other receivables	**-**	-	**(1,285)**	(1,196)	**(1,285)**	(1,196)
Trade and other payables	**16,000**	12,085	**-**	-	**16,000**	12,085
Lease liabilities	**2,957**	2,653	**-**	-	**2,957**	2,653
Unused reinvestment allowance	**11,319**	11,319	**-**	-	**11,319**	11,319
Associate	**-**	-	**(16,679)**	(3,307)	**(16,679)**	(3,307)
Others	**-**	-	**(614)**	(389)	**(614)**	(389)
Tax assets/(liabilities)	**30,276**	26,057	**(44,773)**	(23,614)	**(14,497)**	2,443
Offsetting	**(24,641)**	(19,986)	**24,641**	19,986	**-**	-
Net tax assets/(liabilities)	**5,635**	6,071	**(20,132)**	(3,628)	**(14,497)**	2,443
Company						
Property, plant and equipment	**-**	-	**(20,892)**	(13,980)	**(20,892)**	(13,980)
Right-of-use assets	**-**	-	**(1,178)**	(2,010)	**(1,178)**	(2,010)
Trade and other payables	**6,519**	5,572	**-**	-	**6,519**	5,572
Lease liabilities	**1,455**	2,140	**-**	-	**1,455**	2,140
Unused reinvestment allowance	**11,319**	11,319	**-**	-	**11,319**	11,319
Others	**-**	-	**(614)**	(389)	**(614)**	(389)
Tax assets/(liabilities)	**19,293**	19,031	**(22,684)**	(16,379)	**(3,391)**	2,652
Offsetting	**(19,293)**	(16,379)	**19,293**	16,379	**-**	-
Net tax assets/(liabilities)	**-**	2,652	**(3,391)**	-	**(3,391)**	2,652

14 DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

Movement in temporary differences during the financial year:

	At 1.1.2023 RM'000	Recognised to profit or loss RM'000	Recognised to other comprehensive income RM'000	Foreign exchange differences RM'000	At 31.12.2023 RM'000	Recognised to profit or loss RM'000	Recognised to other comprehensive income RM'000	Foreign exchange differences RM'000	At 31.12.2024 RM'000
Group									
Property, plant and equipment	(21,234)	5,005	-	(17)	**(16,246)**	**(7,328)**	**-**	**13**	**(23,561)**
Right-of-use assets	(272)	(2,188)	-	(16)	**(2,476)**	**(183)**	**-**	**25**	**(2,634)**
Trade and other receivables	(736)	(460)	-	-	**(1,196)**	**(89)**	**-**	**-**	**(1,285)**
Trade and other payables	18,110	(6,121)	-	96	**12,085**	**4,181**	**-**	**(266)**	**16,000**
Lease liabilities	346	2,288	-	19	**2,653**	**333**	**-**	**(29)**	**2,957**
Unused reinvestment allowance	-	11,319	-	-	**11,319**	**-**	**-**	**-**	**11,319**
Associate	-	(3,307)	-	-	**(3,307)**	**(13,372)**	**-**	**-**	**(16,679)**
Others	1,086	-	(1,475)	-	**(389)**	**-**	**(225)**	**-**	**(614)**
	(2,700)	6,536	(1,475)	82	**2,443**	**(16,458)**	**(225)**	**(257)**	**(14,497)**
Company									
Property, plant and equipment	(18,951)	4,971	-	-	**(13,980)**	**(6,912)**	**-**	**-**	**(20,892)**
Right-of-use assets	-	(2,010)	-	-	**(2,010)**	**832**	**-**	**-**	**(1,178)**
Trade and other payables	9,273	(3,701)	-	-	**5,572**	**947**	**-**	**-**	**6,519**
Lease liabilities	-	2,140	-	-	**2,140**	**(685)**	**-**	**-**	**1,455**
Unused reinvestment allowance	-	11,319	-	-	**11,319**	**-**	**-**	**-**	**11,319**
Others	1,086	-	(1,475)	-	**(389)**	**-**	**(225)**	**-**	**(614)**
	(8,592)	12,719	(1,475)	-	**2,652**	**(5,818)**	**(225)**	**-**	**(3,391)**

NOTES TO THE FINANCIAL STATEMENTS

15 INVENTORIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Finished goods	**98,391**	74,247	**22,318**	26,552
Work-in-progress	**4,749**	5,833	**4,749**	5,833
Raw, packaging and other materials	**10,582**	9,584	**10,582**	9,632
Spare parts for machinery	**10,632**	7,871	**10,199**	7,385
	124,354	97,535	**47,848**	49,402
Recognised in profit or loss:				
(Reversal of)/allowance for inventories written down	**(5,095)**	(2,417)	**(4,817)**	945
Inventories written off	**9,396**	5,661	**6,135**	263
Inventories recognised as cost of sales	**253,705**	243,390	**214,320**	200,141

16 RECEIVABLES, DEPOSITS AND PREPAYMENTS

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current					
Trade					
Trade receivables from contracts with customers	16.1	**349,957**	327,758	**214**	-
Less: Loss allowance		**(4,185)**	(797)	**-**	-
		345,772	326,961	**214**	-
Prepayments	16.3	**35,934**	51,309	**19,045**	32,661
Amount due from subsidiaries	16.2	**-**	-	**130,815**	50,355
Amount due from related companies	16.2	**991**	706	**991**	707
		382,697	378,976	**151,065**	83,723
Non-trade					
Amount due from immediate holding company	16.2	**-**	144	**-**	-
Amount due from a subsidiary	16.2	**-**	-	**-**	70
Amount due from an associate	16.2	**-**	4	**-**	4
Other receivables		**5,048**	2,735	**903**	305
Deposits		**1,843**	2,081	**958**	1,286
Prepayments		**999**	845	**367**	142
		7,890	5,809	**2,228**	1,807
		390,587	384,785	**153,293**	85,530

16 RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

16.1 Trade receivables from contracts with customers

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 60 days and therefore are all classified as current.

Included in trade receivables is a portfolio of receivables which are subject to factoring arrangement. Under this arrangement, the Group will transfer the relevant trade receivables to a bank in exchange for cash with no recourse to the Group subsequent to the transfer. The Group considers the hold to collect and sell business model remains appropriate for these receivables and therefore continues to measure these financial assets at FVOCI as disclosed in Note 24.1. This instrument is carried under the Level 3 fair value hierarchy which is determined through discounting future cash flows at agreed bank charges rates. The fair value of the debt instruments is equivalent to the carrying amount as the initial cost assessed is insignificant.

Refer to Note 24.7 for disclosure of fair value information.

16.2 Amounts due from immediate holding company, subsidiaries, associate and related companies.

The trade balances have a credit term of 30 days (2023: 30 days).

The non-trade balances are unsecured, interest free and repayable on demand.

16.3 Prepayments

Prepayments comprise excise duties and upfront cash payments in relation to listing fees provided to the sales outlets. The listing fees are amortised over the duration of the contracts entered with these outlets. The amortised upfront listing fee payments are recognised as a discount to revenue.

17 CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash at bank	**84,497**	94,978	**41,027**	28,583
Cash held on hand	**31**	58	**-**	-
	84,528	95,036	**41,027**	28,583

18 SHARE CAPITAL

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Issued and fully paid-up:				
- 305,748,000 ordinary shares with no par value				
At beginning/end of financial year	**149,363**	149,363	**149,363**	149,363

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's residual assets.

18 SHARE CAPITAL (CONTINUED)

Reserves

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Other reserves:					
Capital reserve	18.1	**3,931**	3,931	**-**	-
Exchange reserve	18.2	**(29,120)**	(33,711)	**-**	-
Equity contribution reserve	18.3	**3,302**	3,240	**2,084**	2,725
Cash flow hedge reserve	18.4	**644**	(64)	**644**	(64)
		(21,243)	(26,604)	**2,728**	2,661
Retained earnings		**150,078**	106,340	**323,956**	214,959
		128,835	79,736	**326,684**	217,620

18.1 Capital reserve

Capital reserve comprises reserve capitalised by a subsidiary for bonus issue of shares in prior years.

18.2 Exchange reserve

Translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.

18.3 Equity contribution reserve

Equity contribution reserve comprises the cumulative value of employee services received for the performance shares granted by the ultimate holding company. The grant date fair value of the performance share granted to these employees is recognised as an employee expense in profit or loss and a corresponding increase in equity, over the period that the employees become unconditionally entitled to the performance shares. Any reimbursement to Carlsberg A/S in relation to the share-based incentive programme is treated as a capital distribution and would be recorded directly in equity.

18.4 Cash flow hedge reserve

During the financial year, the Group and the Company have applied cash flow hedge. Cash flow hedges comprise foreign currency and aluminium hedges. The hedged item for aluminium hedge is aluminium cans that will be used by the Company where aluminium swaps are used to hedge the risk of volatile aluminium prices associated with the purchase of cans.

The fair value changes of effective cash flow hedge are recognised in other comprehensive income and attributed to this reserve.

As at 31 December 2024, the unrealised fair value gain/(loss) on cash flow hedge included in the amount due to immediate holding company (trade) was RM200,000 (2023: (RM84,000)).

19 PAYABLES AND ACCRUALS

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current					
Trade					
Trade payables	19.1	**480,088**	467,346	**107,750**	116,210
Amount due to immediate holding company	19.2	**9,079**	7,992	**3,142**	2,441
Amount due to subsidiaries	19.5	**-**	-	**14,306**	-
Amounts due to related companies	19.2	**8,017**	6,319	**526**	-
		497,184	481,657	**125,724**	118,651
Non-trade					
Other payables	19.3	**43,479**	45,118	**18,658**	24,817
Accrued expenses		**73,013**	63,535	**25,502**	16,092
Amount due to immediate holding company	19.4	**2,577**	2,596	**574**	830
Amount due to subsidiaries	19.5	**-**	-	**205,034**	232,550
Amounts due to related companies	19.4	**21,310**	12,704	**13,336**	9,768
Dividend payable	19.6	**70,322**	-	**70,322**	-
		210,701	123,953	**333,426**	284,057
		707,885	605,610	**459,150**	402,708

19.1 Trade payables carry credit terms ranging from 0 to 172 days (2023: 0 to 140 days).

Included in trade payables of the Group are trade offer accruals amounting to RM235,137,000 (2023: RM228,385,000) which is payable in the next twelve months. Material accounting estimates and assumptions on trade offers accruals are provided in Note 4(i).

Note 24.5 and Note 24.7 set out disclosures of liquidity risk and fair value information respectively.

19.2 Amounts due to immediate holding company and related companies

Amounts due to immediate holding company and related companies are unsecured, interest free and subject to credit terms of 60 days (2023: 60 days).

19.3 These amounts comprise liabilities for goods and services provided to the Group and the Company. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO THE FINANCIAL STATEMENTS

19 PAYABLES AND ACCRUALS (CONTINUED)

19.4 Amounts due to immediate holding company and related companies

Amounts due to immediate holding company and related companies are unsecured, interest free and repayable on demand.

19.5 Amount due to subsidiaries

Amounts due to subsidiaries (Trade) are unsecured, interest free and repayable on demand.

Amounts due to subsidiaries (Non-trade) amounting to RM17,000 (2023: RM Nil) are unsecured, interest free and repayable on demand and amounting to RM205,017,000 (2023: RM232,550,000) is under a cash pooling arrangement with a subsidiary. The cash pooling arrangement is repayable on demand, unsecured, and subjected to fixed interest rate of 2.5% (2023: 2.5%) based on an overnight sweep arrangement. Interest expenses from the cash pooling arrangement amounting to RM5,012,000 (2023: RM4,402,000) is presented within the finance cost in the statements of comprehensive income.

19.6 Dividend payable

The amount comprises dividend payable to immediate holding company amounting to RM35,864,000 (2023: RM Nil).

19.7 Supplier finance arrangements

A number of the Group's and the Company's suppliers participate in supplier finance arrangements, with a financial institution acting as a funding partner. When suppliers participate in these programmes, they have the option of receiving early payment from the funding partner of invoices sent to the Group and the Company.

The arrangement is exclusively between the supplier and the funding partner and separate from the Group's and the Company's relationship with its suppliers. The Group's and the Company's liability to pay invoices is unaffected by the supplier finance arrangement and whether the suppliers opt for early payment. The liability is recognised in trade payables until the due date of the invoice. Cessation of the supplier finance arrangement would not constitute a significant risk in terms of liquidity because of the amounts involved.

	Group	Company
	2024 RM'000	2024 RM'000
Carrying amount of liabilities that are part of supplier finance arrangements		
Presented within trade payables	**19,512**	17,296
Of which suppliers have received payment	**19,512**	17,296

	Group	Company
	2024 Days	2024 Days
Range of payment due dates		
Liabilities that are part of the arrangement	**117-147**	117-147
Comparable trade payables that are not part of an arrangement	**108-147**	117-147

20 LOANS AND BORROWINGS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current - unsecured				
Term loan	**318**	2,331	**-**	-
	318	2,331	**-**	-
Current – unsecured				
Term loan	**1,887**	1,955	**-**	-
Revolving credits	**75,056**	115,115	**75,056**	115,115
	76,943	117,070	**75,056**	115,115

The term loan of the Group is subjected to fixed interest rate of 2% (2023:2%) per annum.

The revolving credits of the Group and of the Company are subjected to interests ranging from 3.57% to 3.74% (2023: 3.66% to 3.77%) per annum.

As at 31 December 2024, the Group and the Company have undrawn facilities of RM267.0 million and RM220.0 million (2023: RM260.0 million and RM192.0 million) respectively.

The maturity analysis of the loans and borrowings at end of reporting date is disclosed in Note 24.5 under liquidity risk.

21 KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors:				
- Fees	**467**	470	**467**	470
- Defined contribution plan	**201**	192	**201**	192
- Short-term employee benefits (including estimated monetary value of benefits-in-kind)	**3,425**	4,207	**3,425**	4,207
	4,093	4,869	**4,093**	4,869
- Share-based payment expenses	**742**	649	**742**	649
	4,835	5,518	**4,835**	5,518
Other key management personnel:				
- Defined contribution plan	**1,247**	1,313	**515**	486
- Short-term employee benefits	**14,184**	14,949	**4,132**	4,347
- Share-based payment expenses	**972**	1,220	**316**	926
	16,403	17,482	**4,963**	5,759
	21,238	23,000	**9,798**	11,277

Other key management personnel comprise persons other than the Directors of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS

22 DIVIDENDS

Dividends declared by the Company are:

	Sen per ordinary share	Total amount RM'000	Date of payment
2024			
Final 2023	**31.0**	**94,782**	**21 June 2024**
First interim 2024	**22.0**	**67,264**	**11 July 2024**
Second interim 2024	**20.0**	**61,150**	**17 October 2024**
Third interim 2024	**23.0**	**70,322**	**7 January 2025**
Total amount		**293,518**	
2023			
Final 2022	25.0	76,437	18 May 2023
First interim 2023	21.0	64,207	8 June 2023
Second interim 2023	22.0	67,265	13 October 2023
Third interim 2023	19.0	58,092	29 December 2023
Total amount		266,001	

The Board of Directors recommended for shareholders' approval at the forthcoming Annual General Meeting a final single-tier dividend of 35.0 sen per ordinary share in respect of the financial year ended 31 December 2024.

	Sen per ordinary share	Total amount RM'000
For the financial year ended 31 December 2024		
Final	**35.0**	**107,012**

23 OPERATING SEGMENTS

The Group has three operating segments, which are the Group's geographical segments. The strategic business units offer similar products but are managed separately because they require different marketing strategies due to the geographical locations. For each of the strategic business unit, the Group's Managing Director (the chief operating decision maker) reviews internal management reports at least on a quarterly basis.

The following summary describes the operations in each of the Group's operating segments:

- Malaysia — Includes manufacturing, marketing and distribution of both alcoholic and non-alcoholic beverages by entities in Malaysia.
- Singapore — Includes marketing and distribution of both alcoholic and non-alcoholic beverages by entities in Singapore.
- Others — Includes manufacturing, marketing and distribution of both alcoholic and non-alcoholic beverages in geographical locations other than Malaysia and Singapore.

Performance is measured based on segment profit, as included in the internal management reports that are reviewed by the Group's Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within these industries.

Segment assets, liabilities and capital expenditures

Segment assets, liabilities and capital expenditures information are neither included in the internal management reports nor provided regularly to the Group's Managing Director who is considered the Group's chief operating decision maker. Hence no such disclosures are provided below.

	Malaysia RM'000	Singapore RM'000	Others RM'000	Total RM'000
2024				
Segment profit	350,488	65,602	-	416,090
Included in the measure of segment profit are:				
Revenue from contracts with customers	1,752,229	624,183	-	2,376,412
Inter-segment revenue*	60,703	-	-	60,703
Excise duties and sales tax	844,854	291,336	-	1,136,190
Depreciation and amortisation	64,975	5,147	-	70,122
Reversal of impairment of property, plant and equipment	(1,760)	-	-	(1,760)
Not included in the measure of segment profit but provided to Group's Managing Director:				
Finance costs	(3,910)	(202)	-	(4,112)
Finance income	635	281	-	916
Income tax expense	(84,626)	(8,220)	(14,752)	(107,598)
Share of profit of equity-accounted associate, net of tax	-	-	35,635	35,635

NOTES TO THE FINANCIAL STATEMENTS

23 OPERATING SEGMENTS (CONTINUED)

	Malaysia RM'000	Singapore RM'000	Others RM'000	Total RM'000
2023				
Segment profit	311,705	87,081	-	398,786
Included in the measure of segment profit are:				
Revenue from contracts with customers	1,610,028	650,871	-	2,260,899
Inter-segment revenue*	71,011	-	-	71,011
Excise duties and sales tax	794,993	290,215	-	1,085,208
Depreciation and amortisation	56,919	5,537	-	62,456
Impairment of property, plant and equipment	85	-	-	85
Not included in the measure of segment profit but provided to Group's Managing Director:				
Finance costs	(5,216)	(548)	-	(5,764)
Finance income	556	-	-	556
Income tax expense	(62,444)	(17,074)	(2,677)	(82,195)
Share of profit of equity-accounted associate, net of tax	-	-	23,457	23,457

* Inter-segment revenue derived from Singapore.

Reconciliation of segment profit or loss

	2024 RM'000	2023 RM'000
Profit		
Total segment profit	**416,090**	398,786
Inter-segment elimination	**(187)**	18
Finance costs	**(4,112)**	(5,764)
Finance income	**916**	556
Share of profit of equity-accounted associate, net of tax	**35,635**	23,457
Consolidated profit before taxation	**448,342**	417,053

23 OPERATING SEGMENTS (CONTINUED)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Non-current assets are based on the geographical location of the assets.

	Revenue		Non-current assets*	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Geographical location				
Malaysia	**1,728,668**	1,590,473	**387,931**	332,429
Singapore	**620,121**	641,247	**17,418**	12,352
Other countries	**27,623**	29,179	**122,518**	88,642
	2,376,412	2,260,899	**527,867**	433,423

* Non-current assets comprise of property, plant and equipment, intangible assets, ROU assets and investment in an associate.

Major customers

The revenue derived from transactions with single external customer that amounted to 10% or more of the Group's revenue for the financial year was RM549,953,000 (2023: RM429,864,000).

NOTES TO THE FINANCIAL STATEMENTS

24 FINANCIAL INSTRUMENTS

24.1 Financial instruments by categories

The table below provides an analysis of financial instruments categorised as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets at FVOCI				
Receivables	**56,581**	48,348	**-**	-
Financial assets at amortised cost				
Receivables and deposits	**297,073**	284,283	**133,881**	52,727
Cash and cash equivalents	**84,528**	95,036	**41,027**	28,583
	381,601	379,319	**174,908**	81,310
Financial liabilities at amortised cost				
Payables and accruals*	**(675,074)**	(578,481)	**(444,702)**	(395,232)
Loans and borrowings	**(77,261)**	(119,401)	**(75,056)**	(115,115)
Lease liabilities	**(14,899)**	(11,935)	**(6,062)**	(8,915)
	(767,234)	(709,817)	**(525,820)**	(519,262)

* Net of provisions and payroll liabilities

24.2 Net gains/(losses) arising from financial instruments

Net gains/(losses) arising from financial instruments comprises finance income/(expense), unrealised foreign exchange gains/(losses), impairment losses and write off.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets at FVOCI and amortised cost	**(1,025)**	733	**2,291**	216
Financial liabilities at amortised cost	**(879)**	(6,334)	**(5,745)**	(8,995)

24 FINANCIAL INSTRUMENTS (CONTINUED)

24.3 Financial risk management

The Group and the Company have exposure to the following risks from the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

24.4 Credit risk

Trade receivables (including intercompany balances) using simplified approach

(a) The credit risks concentration profile for trade receivables (including intercompany balances), net of loss allowance, as at the end of the reporting period analysed by geographic region was:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysia	**256,104**	225,284	**126,128**	40,668
Singapore	**89,095**	102,325	**4,687**	9,689
Others	**1,564**	58	**1,205**	705
	346,763	327,667	**132,020**	51,062

At the end of the reporting year, the Group has a concentration of credit risk in the form of trade receivables from 2 (2023: 2) main customers, representing approximately 33% (2023: 30%) of the Group's trade receivables.

(b) Reconciliation on loss allowance

The loss allowance for trade receivables as at 31 December 2024 reconciles to the opening loss allowance for that provision as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	**(797)**	(1,177)	**-**	-
Loss allowance recognised	**(3,894)**	(648)	**-**	-
Loss allowance reversed	**560**	540	**-**	-
Loss allowance written off	**-**	488	**-**	-
Effect on movement in exchange rates	**(54)**	-	**-**	-
At 31 December	**(4,185)**	(797)	**-**	-

The loss allowance account in respect of trade receivables are used to record loss allowance. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

NOTES TO THE FINANCIAL STATEMENTS

24 FINANCIAL INSTRUMENTS (CONTINUED)

24.4 Credit risk (continued)

Trade receivables (including intercompany balances) using simplified approach (continued)

(c) Maximum exposure to credit risk

The grouping of trade receivables (including intercompany balances) for ECL assessment is as below:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Assessed collectively	**350,948**	328,464	**132,020**	51,062
Total trade receivables (including intercompany balances)	**350,948**	328,464	**132,020**	51,062

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised:

	Current	1 - 30 days past due	More than 30 days past due	More than 60 days past due	Total
Group					
2024					
Expected loss rate	**-**	**-**	**14%**	**86%**	
RM'000					
Gross carrying amount					
- Trade receivables	**332,469**	**8,166**	**5,327**	**3,995**	**349,957**
- Amounts due from related companies	**172**	**819**	**-**	**-**	**991**
Carrying amount	**332,641**	**8,985**	**5,327**	**3,995**	**350,948**
Loss allowance	**-**	**-**	**(763)**	**(3,422)**	**(4,185)**
Carrying amount (net of loss allowance)	**332,641**	**8,985**	**4,564**	**573**	**346,763**

24 FINANCIAL INSTRUMENTS (CONTINUED)

24.4 Credit risk (continued)

Trade receivables (including intercompany balances) using simplified approach (continued)

(c) Maximum exposure to credit risk (continued)

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised: (continued)

	Current	1 - 30 days past due	More than 30 days past due	More than 60 days past due	Total
Group					
2023					
Expected loss rate	-	-	-	29%	
RM'000					
Gross carrying amount					
- Trade receivables	317,892	-	7,160	2,706	327,758
- Amounts due from related companies	396	301	9	-	706
Carrying amount	318,288	301	7,169	2,706	328,464
Loss allowance	-	-	-	(797)	(797)
Carrying amount (net of loss allowance)	318,288	301	7,169	1,909	327,667

The Company's trade intercompany balances were considered fully recoverable, and no loss allowance has been recognised during the current financial year (2023: Nil).

Intercompany balances

Risk management objectives, policies and processes for managing the risk

The Group has transactions with related companies. The Group monitors the collectability of the amounts due from related companies regularly.

The Company has transactions with subsidiaries and related companies. The Company monitors the collectability of the amounts due from subsidiaries and related companies regularly.

Exposure to credit risk

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

24 FINANCIAL INSTRUMENTS (CONTINUED)

24.4 Credit risk (continued)

Intercompany balances (continued)

Credit quality

As at the end of the reporting period, there was no indication that the amounts due from subsidiaries and related companies are not recoverable. The amounts due from subsidiaries and related companies have been outstanding for less than a year.

Cash and cash equivalents

Risk management objectives, policies and processes for managing the risk

The Group's and the Company's short-term deposits are placed as fixed rate investments and daily short-term deposits and upon which management endeavours to obtain the best rate available in the market.

Cash and cash equivalents are placed only with licenced financial institutions.

Exposure to credit risk

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Credit quality

Counterparties with external credit rating:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
AAA	**44,877**	40,726	**40,860**	28,479
AA1	**178**	84	**148**	75
AA2	**22**	73	**19**	29
A1	**39,420**	54,095	**-**	-
	84,497	94,978	**41,027**	28,583

While cash and cash equivalents carried at amortised cost are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

24 FINANCIAL INSTRUMENTS (CONTINUED)

24.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

The Group's and the Company's current liabilities exceeded its current assets by RM220.6 million and RM295.8 million (2023: RM192.2 million and RM356.7 million) respectively as of 31 December 2024. In considering liquidity risk, the Group has reviewed the cash flow and funding requirements for the next 12 months from the date of approval of the financial statements. The cash flow forecasts have been prepared, taking into consideration sources of liquidity to fund anticipated operating activities, investing activities, repayments of financing obligations and returns to shareholders.

The key assumption underpinning the Group's and the Company's cash flow and funding requirements is the continuous profitable performance of both the Group and Company in the next 12 months from the date of approval of the financial statements based on budgeted results to generate sufficient net cash inflow from its operating activities. In the current financial year, both the Group and the Company have registered profits of RM340.7 million and RM402.4 million (2023: RM334.9 million and RM304.2 million) respectively and the Group generated net cash inflow from operating activities of RM363.0 million (2023: RM325.9 million).

As disclosed in Note 20, as of 31 December 2024, the Group and Company has undrawn credit facilities of RM267.0 million and RM220.0 million (2023: RM260.0 million and RM192.0 million) respectively. These undrawn credit facilities are available as and when it is needed, for the next 12 months from the date of approval of the financial statements to fund the working capital and financing requirements of its business.

At Company level, the Company would be able to meet its obligations or liabilities as and when it is needed, through the available funds from the undrawn banking facilities and dividend income from its profitable subsidiaries.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS

24 FINANCIAL INSTRUMENTS (CONTINUED)

24.5 Liquidity risk (continued)

Maturity analysis

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000
Group						
2024						
Payables and accruals*	**675,074**	**-**	**675,074**	**675,074**	**-**	**-**
Loans and borrowings	**77,261**	**2.00-3.74**	**77,388**	**77,069**	**319**	**-**
Lease liabilities	**14,899**	**0.71-4.70**	**15,586**	**6,448**	**3,619**	**5,519**
	767,234		**768,048**	**758,591**	**3,938**	**5,519**
2023						
Payables and accruals*	578,481	-	578,481	578,481	-	-
Loans and borrowings	119,401	2.00-3.77	119,595	117,235	2,360	-
Lease liabilities	11,935	0.71-4.70	12,527	5,970	4,701	1,856
	709,817		710,603	701,686	7,061	1,856
Company						
2024						
Payables and accruals**	**239,685**	**-**	**239,685**	**239,685**	**-**	**-**
Loans and borrowings	**75,056**	**3.57-3.74**	**75,155**	**75,155**	**-**	**-**
Amount due to a subsidiary (non-trade)	**205,017**	**2.50**	**205,017**	**205,017**	**-**	**-**
Lease liabilities	**6,062**	**4.70**	**6,254**	**4,398**	**1,856**	**-**
	525,820		**526,111**	**524,255**	**1,856**	**-**
2023						
Payables and accruals**	162,683	-	162,683	162,683	-	-
Loans and borrowings	115,115	3.66-3.77	115,211	115,211	-	-
Amount due to a subsidiary (non-trade)	232,550	2.50	232,550	232,550	-	-
Lease liabilities	8,915	4.70	9,472	3,218	4,398	1,856
	519,263		519,916	513,662	4,398	1,856

* Net of provisions and payroll liabilities

** Net of provisions, payroll liabilities and amount due to a subsidiary (non-trade)

24 FINANCIAL INSTRUMENTS (CONTINUED)

24.6 Market risk

Market risk comprises currency risk, price risk and interest rate risk that will affect the Group's and the Company's financial position or cash flows.

24.6.1 Currency risk

The Group and the Company are exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Singapore Dollar ("SGD") and Euro ("EUR").

The Group holds a number of investments in foreign subsidiaries and associate where the translation of net assets to Ringgit Malaysia ("RM") is exposed to foreign exchange risks. The revaluation of the net investments of the Group's foreign operations is recognised in OCI.

Risk management objectives, policies and processes for managing the risk

The Group and the Company did not hedge on any net investments, foreign trade receivables and trade payables denominated in foreign currency during the financial year. In respect of other monetary assets and liabilities held in currencies other than RM and SGD, the Group ensures that the net exposure is kept to an acceptable level.

Exposure to foreign currency risk

The Group's and the Company's exposure to foreign currency (a currency which is other than the functional currency of any entity in the Group and the Company) risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in		
	USD RM'000	SGD RM'000	EUR RM'000
Group			
2024			
Cash and cash equivalents	**2,785**	**5,120**	**-**
Trade payables	**(18,384)**	**(314)**	**(16,784)**
Intercompany balances	**(19,392)**	**-**	**(873)**
Net exposure	**(34,991)**	**4,806**	**(17,657)**
2023			
Cash and cash equivalents	8,303	529	-
Trade payables	(25,673)	(381)	(22,079)
Intercompany balances	(18,453)	-	(829)
Net exposure	(35,823)	148	(22,908)

24 FINANCIAL INSTRUMENTS (CONTINUED)

24.6 Market risk (continued)

24.6.1 Currency risk (continued)

Exposure to foreign currency risk (continued)

	Denominated in		
	USD RM'000	SGD RM'000	EUR RM'000
Company			
2024			
Cash and cash equivalents	**802**	**4,819**	**-**
Trade payables	**(16,214)**	**(15)**	**(15,662)**
Intercompany balances	**(12,393)**	**4,678**	**(525)**
Net exposure	**(27,805)**	**9,482**	**(16,187)**
2023			
Cash and cash equivalents	6,424	340	-
Trade payables	(23,383)	(84)	(21,824)
Intercompany balances	(9,380)	9,689	(507)
Net exposure	(26,339)	9,945	(22,331)

Currency risk sensitivity analysis

Foreign currency risk arises primarily for transactions denominated in USD, SGD and EUR. The exposure to currency risk for transaction other than USD, SGD and EUR is not material and hence, sensitivity analysis is not presented.

Strengthening of the RM against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss for the financial year and equity as at year end by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases. Weakening of the RM against the following currencies would have the equal but opposite effect to the amounts shown below, on the basis that all other variables remain constant.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
USD 3% (2023: 6%)	**798**	2,149	**634**	1,580
SGD 5% (2023: 6%)	**(183)**	(9)	**(360)**	(597)
EUR 8% (2023: 6%)	**1,074**	1,375	**984**	1,340
	1,689	3,515	**1,258**	2,323

24 FINANCIAL INSTRUMENTS (CONTINUED)

24.6 Market risk (continued)

24.6.2 Price risk

The Group is exposed to price risk arising from the fluctuating prices of aluminium cans. To manage its price risk arising from prices of aluminium cans, the Group engages in the hedging of aluminium prices. Hedging is performed by fixed-price purchase agreement with suppliers. The fair value of the cash flow hedge is disclosed in the consolidated statement of changes in equity.

24.6.3 Interest rate risk

The Group's and the Company's borrowings are not exposed to a risk of change in their fair values due to changes in interest rates. The Group's and the Company's borrowings are exposed to a risk of change in cash flows due to changes in interest rate. Receivables and payables are not significantly exposed to interest rate risk.

The Group's and Company's borrowings are short term in nature. As such, the Group and the Company do not engage in any hedging activities to manage interest rate fluctuations. Currently, the Group has long-term bank loans with fixed interest rates. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period were:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Floating rate instruments				
Loan and borrowings	**(75,056)**	(115,115)	**(75,056)**	(115,115)

The Group has variable rate borrowing such as revolving credits and the Group considers the risk of significant changes to interest rate on these borrowings to be unlikely due to the relative short-term nature of the borrowings. The Group actively reviews its debt portfolio to manage the timing of repayments of these borrowings and monitors the interest rates on these borrowings closely to ensure they are maintained at favourable rates.

As at the reporting date, if the annual interest rates increase/decrease by 0.5% (2023: 0.5%) respectively and all other variables including tax and interest rates being held constant, the profit after tax for the financial year and equity as at year end will be higher/lower by RM285,000 (2023: RM437,000) as a result of higher/lower interest expense on these borrowings. However, since all fixed-rate borrowings are measured at amortised cost, there is no impact on profit or loss. The sensitivity analysis is based on the financial instruments recognised at the reporting date.

24.7 Fair value of financial instruments

The carrying amounts of the current financial assets and liabilities of the Group and of the Company measured at amortised cost as at the reporting date approximate their fair values due to the relatively short-term nature of these financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

25 CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of total equity, less amounts accumulated in equity related to cash flow hedges.

The Directors monitor and maintain an optimal debt-to-equity ratio that complies with regulatory requirements. The ratio is calculated as total debt divided by total capital. Total debt is calculated as sum of total borrowings (including “current and non-current loan and borrowing” and “lease liabilities” as shown in the statement of financial position). Total capital is calculated as sum of total equity and total debt.

The gearing ratio as at 31 December 2024 and 2023 are as follows:

	Group	
	2024 RM'000	2023 RM'000
Total debt	**92,160**	131,336
Total equity	**283,244**	234,597
Total capital	**375,404**	365,933
Gearing ratio	**25%**	36%

26 CAPITAL COMMITMENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Authorised and contracted for				
- Property, plant and equipment	**144**	47,354	**-**	46,966
- Intangible assets	**29,931**	-	**11,962**	-
- Right-of-use assets	**7,348**	-	**7,348**	-
	37,423	47,354	**19,310**	46,966

27 EFFECT OF IBOR REFORM

As at reporting date, there is no change to the Group’s KLIBOR-linked contracts. The Group will closely monitor the regulators’ announcement on the alternative benchmark rate or discontinuation of publication of the KLIBOR for the relevant tenors; and engage the counterparties to discuss necessary changes to the related contracts.

28 RELATED PARTIES

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group has related party relationship with the ultimate holding company and its related companies, its subsidiaries (see Note 12), an associate (see Note 13), Directors and key management personnel.

The relationship of related parties are identified as below:

Name of company	Country of incorporation	Classes of Related parties
Carlsberg Foundation	Denmark	Related party exercising control over Carlsberg A/S
Carlsberg A/S	Denmark	Ultimate holding company
Carlsberg Breweries A/S	Denmark	Immediate holding company
Carlsberg Marketing Sdn. Bhd.	Malaysia	Subsidiary
Carlsberg Singapore Pte. Ltd.	Singapore	Subsidiary
Euro Distributors Sdn. Bhd.	Malaysia	Subsidiary
MayBev Pte. Ltd.	Singapore	Subsidiary
Lion Brewery (Ceylon) PLC	Sri Lanka	Associate
Cambrew Limited	Cambodia	Fellow subsidiary
Carlsberg Brewery (Anhui) Company Ltd	China	Fellow subsidiary
Carlsberg Brewery (Guangdong) Ltd	China	Fellow subsidiary
Carlsberg (China) Breweries and Trading Company Ltd	China	Fellow subsidiary
Carlsberg Brewery Hong Kong Ltd.	Hong Kong	Fellow subsidiary
Carlsberg Croatia D.O.O.	Croatia	Fellow subsidiary
Carlsberg Supply Co. Asia Ltd.	Hong Kong	Fellow subsidiary
Carlsberg Supply Company AG	Switzerland	Fellow subsidiary
Carlsberg Vietnam Breweries Limited	Vietnam	Fellow subsidiary
Carlsberg Vietnam Trading Limited	Vietnam	Fellow subsidiary
Lao Brewery Co. Ltd.	Laos	Fellow subsidiary
Carlsberg Taiwan Trading Company Ltd.	Taiwan	Associate company of immediate holding company

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel includes all the Directors of the Group and of the Company, and certain members of senior management of the Group and of the Company.

28 RELATED PARTIES (CONTINUED)

Details of the related party transactions (other than key management personnel remuneration disclosed in Note 21 to the financial statements) with the Group and the Company are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ultimate holding company				
Reimbursement for share-based payments granted to employees	**1,724**	1,468	**1,236**	1,205
Immediate holding company				
Dividend paid and payable	**149,694**	135,660	**149,694**	135,660
Purchases of services	**9,177**	8,717	**4,852**	5,396
Royalties	**46,111**	42,241	**11,971**	10,420
Net settlements in respect of loss from hedging contracts	**872**	7,786	**872**	7,786
Marketing sponsorship funds received	**(574)**	-	**-**	-
Related companies				
Management fees	**19,691**	15,212	**10,454**	8,286
Purchases of materials and products	**30,692**	14,336	**(14)**	-
Purchases of services	**7,484**	7,432	**3,159**	4,087
Sale of goods and services	**(6,830)**	(6,207)	**(6,770)**	(6,207)
Sale of kegs	**-**	(215)	**-**	(215)
Marketing sponsorship funds received	**(2,353)**	-	**-**	-
Royalties	**2**	9	**-**	-

	Company	
	2024 RM'000	2023 RM'000
Subsidiaries		
Sale of goods and services	**(1,187,871)**	(1,101,499)
Management fee received	**(28,407)**	(22,066)
Operating leases income	**(954)**	(954)
Dividend income	**(378,562)**	(282,524)
Interest expenses on cash pooling arrangement	**5,012**	4,402
Repayment to/(advances from) a subsidiary	**27,533**	(90,186)
Associate		
Dividend income	**(9,199)**	(17,847)

The terms and conditions for the above transactions are based on negotiated terms. All the amounts outstanding are unsecured and expected to be settled with cash.

Outstanding balances are disclosed accordingly in Notes 16 and 19.

29 SUBSEQUENT EVENT

On 2 January 2025, the Company announced that it had placed Euro Distributors Sdn. Bhd. ("EDSB"), its wholly-owned subsidiary, under Members' Voluntary Winding Up pursuant to Section 439(1)(b) of the Companies Act 2016 on 1 January 2025. EDSB was principally engaged in marketing and distribution of non-alcoholic beverages, ceased operations in 2020 and had since remained dormant. The winding up is in line with the Company's streamlining exercise and are not expected to have any operational or material impact on the Group's and the Company's financial statements.

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan Sri Dato' Seri Chor Chee Heung and Stefano Clini, two of the Directors of Carlsberg Brewery Malaysia Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 170 to 239 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance and cash flows of the Group and of the Company for the financial year ended 31 December 2024 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 17 March 2025.

TAN SRI DATO' SERI CHOR CHEE HEUNG
INDEPENDENT NON-EXECUTIVE
CHAIRMAN

STEFANO CLINI
MANAGING DIRECTOR

Selangor Darul Ehsan

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Vivian Gun Ling Ling, the officer primarily responsible for the financial management of Carlsberg Brewery Malaysia Berhad, do solemnly and sincerely declare that the financial statements set out on pages 170 to 239 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

VIVIAN GUN LING LING
(MIA No. CA 48041)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 17 March 2025.

Before me:

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CARLSBERG BREWERY MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 196901000792 (9210-K)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Carlsberg Brewery Malaysia Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 170 to 239.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CARLSBERG BREWERY MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 196901000792 (9210-K)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Revenue adjustments due to trade discounts and volume rebates We continue to focus on this area as trade discounts and volume rebates are very significant to the Group. These discounts and rebates which are volume or activity related are typically associated with certain sales targets, measured in volumes or total value, to be achieved by the trade customers and distributors. In addition, each type of product of the Group has a different discount and rebate structure. The determination and calculation of the accruals for trade discounts and volume rebates required is therefore complex as it requires management to make critical estimates and assumptions regarding sales targets to be achieved by each customer, multiplied with the contracted rates of the different products for each customer based on their respective trading agreements. This is a significant area for our audit as it requires us to exercise judgement in evaluating management's estimation of the amount of trade discounts and volume rebates required. As the trade discounts and volume rebates are accounted for as a reduction of revenue from contracts with customers under MFRS 15 "Revenue from contracts with customers", there is accordingly an inherent risk to the revenue recognition process in view of the complexity of the trade discounts and volume rebates as explained. Refer to Note 3(m)(i) - Material accounting policy information on revenue from contracts with customers, Note 4(i) – Material accounting estimates, assumptions and judgements and Note 19 - Payables and accruals.	With respect to the appropriateness of management's estimates used in the calculations of the accruals of trade discounts and volume rebates, we performed the following procedures: - We tested effectiveness of the relevant controls and reliability of information generated from the systems which the Group used in estimating the achievement of sales targets and the trade discounts and volume rebates accruals required; - Developed an expectation of the current year trade discounts and volume rebates accruals balance based on our understanding of key factors and relationship between revenue and trade discounts and volume rebates, which included consideration of historical data of trade discounts and volume rebates given by the Group against the accruals recorded by management as at the reporting date; - We reviewed the reconciliation performed by management between the trade discounts and volume rebates balance payable per the sales system to the accruals recorded by the Group as at 31 December 2024; - We test checked the material reconciling items to management's supporting documentation and discussed with management to ensure the appropriateness of these reconciling items; - We discussed the critical accounting estimates and assumptions used in the determination of the trade discounts and volume rebates accruals with management and evaluated the reasonableness of the estimates and assumptions particularly those estimates and assumptions that were different from previous years; and - Where there were changes in the rates used to calculate the trade discounts and volume rebates accruals, we assessed the reasonableness of those changes in the rates by comparing to the actual claims made by the trade customers and distributors in respect of the recent sales or revised terms in the trading agreements. Based on the procedures performed, we noted the results of management's assessment and computation of the trade discounts and volume rebates accruals are not materially different with the outcome of our procedures.

We have determined that there are no key audit matters to report for the Company.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CARLSBERG BREWERY MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 196901000792 (9210-K)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report and other sections of the 2024 Integrated Annual Report of Carlsberg Brewery Malaysia Berhad, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CARLSBERG BREWERY MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 196901000792 (9210-K)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 12 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

TAN ENG HONG
03424/03/2025 J
Chartered Accountant

Kuala Lumpur
17 March 2025

CARLSBERG MALAYSIA'S SALES OFFICES

BINTULU
c/o Sin Yew Hin Sdn Bhd
Lot 1957, Swee Joo Jetty,
Kampung Baru, P.O.Box 269,
97000 Bintulu, Sarawak.
Tel: 086-331 136

BUTTERWORTH
No. 32-A-TKT 1 & TKT 2, Jalan Oren,
Pusat Perniagaan Oren,
13000 Butterworth, Pulau Pinang.
Tel: 04-390 3077

IPOH
c/o Core Synergy Trading Sdn Bhd
Lot 3898, Off Jalan Lahat,
31500 Lahat, Perak.
Tel: 05-321 9204

JOHOR BAHRU
No. 41, 41-01 & 41-02,
Jalan Austin Perdana 2/22,
Taman Mount Austin,
81100 Johor Bahru, Johor.
Tel: 07-354 0485 / 355 5078

KOTA KINABALU
No. 34 Towering Industrial Estate,
Mile 4 1/2, Jalan Penampang,
88300 Kota Kinabalu, Sabah.
P.O. Box 13435,
88838 Kota Kinabalu, Sabah.
Tel: 088-715 091 / 715 019

KUANTAN
No. 25, Jalan IM14/3,
Kawasan Perindustrian Ringan
Indera Mahkota,
25200 Kuantan, Pahang.
Tel: 09-573 9342

KUCHING
No. 287, Section 9, KTLD,
Ground & 1st Floor, Rubber Road,
93400, Kuching, Sarawak.
Tel: 082-425 320

LABUAN
c/o Beribu Tetap Sdn Bhd
Lot A2, Manmohan's Warehouse
Jalan Patau-patau
87013 Labuan F.T., Sabah.

LANGKAWI
c/o Teow Soon Huat Sdn Bhd
Lot 159, Jalan Padang Gaong
Taman Indah, Mukim Kuah
07000 Pulau Langkawi, Kedah.

MALACCA
No. 23-23A, Jalan Malinja 1,
Taman Malinja, Bukit Baru,
75150 Melaka.
Tel: 06-282 7709 / 284 1530

MENTAKAB
c/o Lit Tat Trading Sdn Bhd
PT 1303B, Jalan Industri 4,
Taman Industri Park,
28400 Mentakab, Pahang.
Tel: 09-278 3710

MIRI
Lot 1415, Ground Floor & 1st Floor,
Lorong 5, Jalan Krokop,
P.O. Box 1301,
98000 Miri, Sarawak.
Tel: 085-417 821 / 427 821

SANDAKAN
c/o Kwong Hin (Sandakan) Sdn Bhd
Lot D-2, CL 075410454, Batu 8.5,
Jalan Kampung Melayu,
90007 Sandakan, Sabah.
H/P: 012-836 6063

SEREMBAN
No. 15-2, 2nd Floor
Jalan Haruan 5/1
Oakland Commercial Square
70300 Seremban, Negeri Sembilan.
Tel: 06-603 7065

SHAH ALAM
Lot 22, Jalan Pengapit 15/19,
Seksyen 15,
40200 Shah Alam, Selangor.
Tel: 03-5522 6306 / 5522 6345

SIBU
c/o Teck Hua Trading Co. Sdn Bhd
Lot 1248-1249 Lorong Sukun 18,
Off Jalan Teng Kung Suk,
Upper Lanang,
96007 Sibu, Sarawak.
Tel: 084-216 933

TAWAU
c/o Kwong Hin (Sandakan) Sdn Bhd
TB 5341, Leeka Light Industrial Estate,
Batu 3, Jalan Apas
91000 Tawau, Sabah.
H/P: 019-813 6568

PARTICULARS OF GROUP PROPERTIES

The Properties included in land and buildings and rights-of-use assets as at 31 December 2024 and their net book values are indicated below:-

Address	Area (Acres)	Existing Use	Land Tenure	Approx. Age of Building (Years)	Description	2024 Net Book Value RM'000	Date of Acquisition Or Revaluation
55, Persiaran Selangor, Section 15, 40200 Shah Alam, Selangor Darul Ehsan.	20.00	Factory and Office	Leasehold expiring 23.2.2070	54	Land Building	3,168 68,935	31/03/81 (revaluation)
No. 34, Towering Industrial Estate Mile 4 1/2, Jalan Penampang, P.O. Box 13435, 88838 Kota Kinabalu, Sabah.	0.06	Office and Warehouse	Leasehold expiring 31.12.2037	45	Land Building	53 120	28/3/95 (acquisition)
Lot 22, Jalan Pengapit 15/19, Seksyen 15, 40200 Shah Alam, Selangor Darul Ehsan.	1.81	Office and Warehouse	Leasehold expiring 23.2.2082	34	Land Building	2,867 3,351	12/03/96 (acquisition)
No. 25, Jalan IM14/3, Kawasan Perindustrian Ringan, Indera Mahkota, 25200 Kuantan, Pahang Darul Makmur.	0.05	Office and Warehouse	Leasehold expiring 29.3.2097	27	Land and Building	111	17/12/97 (acquisition)
No. EMR 3099, Lot No. 9 & No. EMR 3100, Lot No. 10, No. GM 76, Lot No. 35 & No. GM 77, Lot No. 36, In the Village of Batu Tiga / Mukim of Damansara, District of Petaling, Selangor Darul Ehsan.	6.41	Factory	Freehold	-	Land	15,953	24/7/98 (acquisition)
Lot 1071, Mukim Damansara, District of Petaling, Selangor Darul Ehsan.	1.30	Factory	Freehold	-	Land	2,999	18/9/03 (acquisition)
						97,557	

ANALYSIS OF SHAREHOLDINGS
AS AT 27 FEBRUARY 2025

Total number of issued shares	:	305,748,000 ordinary shares
Class of shares	:	Ordinary Shares
Voting Rights	:	One Vote Per Ordinary Share

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
Less than 100	1,115	6.647	8,473	0.002
100-1,000	8,547	50.953	4,779,006	1.563
1,001-10,000	5,701	33.987	20,485,821	6.700
10,001-100,000	1,224	7.297	36,138,727	11.819
100,001-15,287,399*	186	1.108	88,403,473	28.913
15,287,400 and above **	1	0.005	155,932,500	51.000
Total	**16,774**	**100.000**	**305,748,000**	**100.000**

* Less than 5% of issued shares
** 5% and above of issued shares

THIRTY LARGEST SHAREHOLDERS
AS AT 27 FEBRUARY 2025

NO.	NAME	NO. OF SHARES	% OF SHARES
1	DB (MALAYSIA) NOMINEE (ASING) SDN BHD CARLSBERG BREWERIES A/S	155,932,500	51.000
2	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	5,798,620	1.896
3	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB FOR PRULINK EQUITY FOCUS FUND	3,929,900	1.285
4	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB FOR PRULINK EQUITY FUND	2,959,500	0.967
5	WONG YOKE FONG @ WONG NYOK FING	2,716,000	0.888
6	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR NORGES BANK (FI 17)	2,658,699	0.869
7	DB (MALAYSIA) NOMINEE (ASING) SDN BHD EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)	2,214,000	0.724
8	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE. LTD. (A/C CLIENTS)	1,980,035	0.647
9	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	1,964,506	0.642
10	CARTABAN NOMINEES (TEMPATAN) SDN BHD PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND	1,786,000	0.584
11	CARTABAN NOMINEES (TEMPATAN) SDN BHD TMF TRUSTEES MALAYSIA BERHAD FOR AFFIN HWANG WHOLESALE EQUITY FUND 2	1,750,000	0.572
12	HONG LEONG ASSURANCE BERHAD AS BENEFICIAL OWNER (LIFE PAR)	1,732,300	0.566
13	YEOH SAIK KHOO SENDIRIAN BERHAD	1,719,800	0.562
14	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR VIRTUS KAR EMERGING MARKETS SMALL-CAP FUND	1,580,100	0.516
15	DB (MALAYSIA) NOMINEE (ASING) SDN BHD SSBT FUND JNDP FOR JNL MULTI-MANAGER EMERGING MARKETS EQUITYFUND	1,551,000	0.507
16	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD.	1,505,800	0.492
17	TAI TAK ESTATES SDN BHD	1,500,000	0.490
18	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR FLORIDA RETIREMENT SYSTEM	1,425,500	0.466
19	HO HAN SENG	1,100,000	0.359
20	KEY DEVELOPMENT SDN.BERHAD	1,038,000	0.339

ANALYSIS OF SHAREHOLDINGS
AS AT 27 FEBRUARY 2025

NO.	NAME	NO. OF SHARES	% OF SHARES
21	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II	1,034,882	0.338
22	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (SHF)	1,000,000	0.327
23	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG DIVIDEND FUND	970,000	0.317
24	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR JPMORGAN GLOBAL EMERGING MARKETS INCOME TRUST PLC	909,400	0.297
25	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1 ACB FUND)	905,400	0.296
26	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 3)	858,800	0.280
27	GAN TENG SIEW REALTY SDN.BERHAD	845,000	0.276
28	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (NON PAR 1)	840,000	0.274
29	DB (MALAYSIA) NOMINEE (ASING) SDN BHD SSBT FUND J724 FOR SPDR PORTFOLIO EMERGING MARKETS ETF	818,320	0.267
30	HSBC NOMINEES (ASING) SDN BHD JPMSE LUX FOR JPMORGAN FUNDS	796,200	0.260

SUBSTANTIAL SHAREHOLDER
AS AT 27 FEBRUARY 2025

		DIRECT INTEREST		INDIRECT INTEREST	
NO.	NAME	NO. OF SHARES	% OF SHARES	NO. OF SHARES	% OF SHARES
1	DB (MALAYSIA) NOMINEE (ASING) SDN BHD CARLSBERG BREWERIES A/S	155,932,500	51.000	-	-

SUBSTANTIAL SHAREHOLDER
(AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 12 MARCH 2025)

		DIRECT INTEREST		INDIRECT INTEREST	
NO.	NAME	NO. OF SHARES	% OF SHARES	NO. OF SHARES	% OF SHARES
1	DB (MALAYSIA) NOMINEE (ASING) SDN BHD CARLSBERG BREWERIES A/S	155,932,500	51.000	-	-
2	CARLSBERG A/S[(1)]	-	-	155,932,500	51.000
3	CARLSBERG FOUNDATION[(2)]	-	-	155,932,500	51.000

Notes:
[(1)] *Deemed interest by virtue of its shareholdings in Carlsberg Breweries A/S pursuant to Section 8(4)(c) of the Companies Act 2016.*
[(2)] *Deemed interest by virtue of its shareholdings in Carlsberg A/S pursuant to Section 8(4)(c) of the Companies Act 2016.*

DIRECTORS' DIRECT AND INDIRECT INTERESTS IN CARLSBERG BREWERY MALAYSIA BERHAD AND ITS RELATED CORPORATIONS

A. DIRECTORS' DIRECT AND INDIRECT INTERESTS IN CARLSBERG BREWERY MALAYSIA BERHAD
(AS PER REGISTER OF DIRECTORS SHAREHOLDINGS AS AT 27 FEBRUARY 2025)

		DIRECT		INDIRECT	
NO.	NAME	NO. OF SHARES	% OF SHARES	NO. OF SHARES	% OF SHARES
1	Tan Sri Dato' Seri Chor Chee Heung	-	-	-	-
2	Stefano Clini	-	-	-	-
3	Eric Ooi Lip Aun	-	-	-	-
4	Datuk Lee Oi Kuan	-	-	-	-
5	Joao Miguel Ventura Rego Abecasis	-	-	-	-
6	Gavin Stuart Brockett	-	-	-	-
7	Chan Po Kei Kay	-	-	-	-

ANALYSIS OF SHAREHOLDINGS
AS AT 27 FEBRUARY 2025

B. DIRECTORS' DIRECT AND INDIRECT INTERESTS IN CARLSBERG A/S
(AS PER REGISTER OF DIRECTORS SHAREHOLDINGS AS AT 27 FEBRUARY 2025)

Ordinary Shares of Carlsberg A/S

		DIRECT		INDIRECT	
NO.	NAME	NO. OF SHARES	% OF SHARES	NO. OF SHARES	% OF SHARES
1	Tan Sri Dato' Seri Chor Chee Heung	-	-	-	-
2	Stefano Clini	4,728	-*	-	-
3	Eric Ooi Lip Aun	-	-	-	-
4	Datuk Lee Oi Kuan	-	-	-	-
5	Joao Miguel Ventura Rego Abecasis	10,692	-*	-	-
6	Gavin Stuart Brockett	1,295	-*	-	-
7	Chan Po Kei Kay	3,560	-*	-	-

*Note: * Less than 0.01%*

Performance shares granted but not vested

		DIRECT		INDIRECT	
NO.	NAME	NO. OF SHARES	% OF SHARES	NO. OF SHARES	% OF SHARES
1	Tan Sri Dato' Seri Chor Chee Heung	-	-	-	-
2	Stefano Clini	3,302	-*	-	-
3	Eric Ooi Lip Aun	-	-	-	-
4	Datuk Lee Oi Kuan	-	-	-	-
5	Joao Miguel Ventura Rego Abecasis	7,373	-*	-	-
6	Gavin Stuart Brockett	3,593	-*	-	-
7	Chan Po Kei Kay	2,629	-*	-	-

*Note: * Less than 0.01%*

MATERIAL CONTRACTS

The particulars of material contract of the Group and its related parties, subsisting as at 31 December 2024 or entered into since the end of the previous financial year 2023, is as follows:

- A call option agreement between CBMB and Carlsberg A/S ("CAS") dated 18 November 1996, allowing CAS to acquire CBMB's interest in Lion Brewery (Ceylon) Limited, should certain events occur. The purchase consideration is to be based on an agreed formula and in any event, to be a minimum of the original purchase price paid by CBMB. CAS is the holding company of Carlsberg Breweries A/S ("CBAS"), which in turn is the holding company and major shareholder of CBMB.

LIST OF RECURRENT RELATED PARTY TRANSACTIONS

The breakdown of the aggregate value of the recurrent related party transactions entered into by the Group pursuant to the shareholders' mandate obtained during the **54th Annual General Meeting held on 24 April 2024** is as follows:

Transacting Parties	Interested Related Parties	Nature of Transaction	(2) Actual Value Transacted (24 April 2024 – 31 December 2024) (RM' million)
Group and CBAS Group of Companies	SC, JMVRA, GSB, CPKK and CBAS	Royalties payable to CBAS Group of Companies for inter alia, the exclusive use of trademark licences and supply of technical and commercial assistance	32.4
		Sale and supply of goods to CBAS Group of Companies	4.3
		Purchase of beverage products from CBAS Group of Companies	24.8
		Payment for administrative support services (including marketing sponsorship) from CBAS Group of Companies	23.4
		Sale and purchase of materials, machinery, spares and related services to and from CBAS Group of Companies	0.01
		Royalties receivable from CBAS Group of Companies for inter alia, the exclusive use of trademark licences and supply of technical and commercial assistance	-

Notes:

(1) The above actual value of the recurrent related party transactions "RRPT" is for the period 24 April 2024 to 31 December 2024.

(2) The nature of relationship with the above Related Parties is as follows as at 31 December 2024:

(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 CMSB, EDSB and CSPL.

(ii) JMVRA, GSB and CPKK, who are Non-Executive Directors of the Company are the Executive Vice President, Asia of CBAS, Vice President Finance, Asia of CBAS and Vice President Human Resources, Asia of CBAS respectively. SC is the Managing Director of the Company. All the four (4) Directors namely, JMVRA, GSB, CPKK and SC are nominees/representatives of CBAS and do not hold any shares in CBAS or the Company.

Abbreviations:

CBAS	-	Carlsberg Breweries A/S, an immediate holding company and a Major Shareholder of the Company
CBAS Group of Companies	-	CBAS and its subsidiaries and associated companies
CMSB	-	Carlsberg Marketing Sdn. Bhd., a wholly-owned subsidiary of the Company
CPKK	-	Chan Po Kei Kay
CSPL	-	Carlsberg Singapore Pte. Ltd., a wholly-owned subsidiary of the Company
EDSB	-	Euro Distributors Sdn. Bhd., a wholly-owned subsidiary of the Company
Group	-	Company and its wholly-owned subsidiaries, namely Carlsberg Marketing Sdn. Bhd., Euro Distributors Sdn. Bhd. and Carlsberg Singapore Pte. Ltd.
GSB	-	Gavin Stuart Brockett
JMVRA	-	João Miguel Ventura Rego Abecasis
SC	-	Stefano Clini

CORPORATE INFORMATION

DIRECTORS

TAN SRI DATO' SERI CHOR CHEE HEUNG
Chairman

STEFANO CLINI
Managing Director

ERIC OOI LIP AUN
Independent Non-Executive Director

DATUK LEE OI KUAN
Independent Non-Executive Director

CHAN PO KEI KAY
Non-Independent Non-Executive Director

JOÃO MIGUEL VENTURA REGO ABECASIS
Non-Independent Non-Executive Director

GAVIN STUART BROCKETT
Non-Independent Non-Executive Director

COMPANY SECRETARIES

KOH POI SAN
(SSM PC No. 201908000044)
(L.S. No. 0009701)

ONG E-SHYNN
(SSM PC No. 202208000644)
(MACS 01889)

AUDITORS

PRICEWATERHOUSECOOPERS PLT
(LLP0014401-LCA & AF1146)
Chartered Accountants
Level 10, Menara TH 1 Sentral, Jalan Rakyat,
Kuala Lumpur Sentral, P.O. Box 10192,
50706 Kuala Lumpur, Malaysia.
Tel : +603 2173 1188
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PRINCIPAL BANKERS

CITIBANK BERHAD
Registration No. 199401011410 (297089-M)

PUBLIC BANK BERHAD
Registration No. 196501000672 (6463-H)

DEUTSCHE BANK (MALAYSIA) BERHAD
Registration No. 199401026871 (312552-W)

BNP PARIBAS MALAYSIA BERHAD
Registration No. 201001034168 (918091-T)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS
No. 55, Persiaran Selangor,
Section 15, 40200 Shah Alam,
Selangor Darul Ehsan, Malaysia.
Tel : +603 5522 6688
Fax : +603 5519 1931
Email : mycorpaffairs@carlsberg.asia
Website : www.carlsbergmalaysia.com.my

SHARE REGISTRAR

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
Registration Number: 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South.
No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
Tel : +603 2783 9299
Fax : +603 2783 9222
Email : is.enquiry@vistra.com

STOCK EXCHANGE LISTING

MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

BURSA ESG PERFORMANCE TABLE INDEX

The table below is an elaborated version of the mandatory Bursa ESG table presented on pages 139 to 143 that provides greater clarity and transparency on our sustainability performance. It contains the common and sector-specific sustainability indicators required by Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) and is presented in the prescribed format as shown in Bursa Malaysia's Illustrative Sustainability Report.

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Director	Percentage	100.00	85.00	**100.00**
Manager to Senior Manager	Percentage	97.00	94.00	**100.00**
Executive to Assistant Manager	Percentage	93.00	92.00	**98.00**
Non-executive	Percentage	32.00*	46.00*	**52.00**
Contingent Worker**	Percentage	0	0	**0.00**
C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	**100.00**
C1(c) Confirmed incidents of corruption and action taken	Number	0	0	**0**

**Data have been restated due to removal of contract employees from this category.*

***New category for this year's reporting. Contingent workers refer to temporary and/or contract employees.*

Indicator	Measurement Unit	2022	2023	2024
Bursa (Community/Society)				
C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	629,200.00	1,839,270.00	**1,837,388.00**
C2(b) Total number of beneficiaries of the investment in communities	Number	1	10	**12**
Bursa (Community/Society)				
C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Director Generation Z	Percentage	0.00	0.00	**0.00**
Director Millennials	Percentage	64.00	62.00	**62.00**
Director Generation X	Percentage	29.00	38.00	**38.00**
Director Baby Boomer	Percentage	7.00	0.00	**0.00**
Manager to Senior Manager Generation Z	Percentage	0.00	0.00	**1.00**
Manager to Senior Manager Millennials	Percentage	74.00	69.00	**72.00**
Manager to Senior Manager Generation X	Percentage	22.00	27.00	**24.00**
Manager to Senior Manager Baby Boomer	Percentage	4.00	4.00	**3.00**
Executive to Assistant Manager Generation Z	Percentage	16.00	17.00	**20.00**
Executive to Assistant Manager Millennials	Percentage	66.00	66.00	**64.00**
Executive to Assistant Manager Generation X	Percentage	15.00	15.00	**15.00**
Executive to Assistant Manager Baby Boomer	Percentage	3.00	2.00	**1.00**
Non-executive Generation Z	Percentage	4.00*	2.00*	**2.00**
Non-executive Millennials	Percentage	56.00*	60.00*	**63.00**
Non-executive Generation X	Percentage	34.00*	34.00*	**35.00**
Non-executive Baby Boomer	Percentage	6.00*	4.00*	**0.00**
Contingent Worker Generation Z	Percentage	1.00	3.00	**2.00**
Contingent Worker Millennials	Percentage	49.00	52.00	**51.00**
Contingent Worker Generation X	Percentage	35.00	33.00	**34.00**
Contingent Worker Baby Boomer	Percentage	15.00	12.00	**13.00**

BURSA ESG PERFORMANCE TABLE INDEX

Indicator	Measurement Unit	2022	2023	2024
Bursa (Community/Society)				
C3(a) Percentage of employees by gender and age group, for each employee category				
Gender Group by Employee Category				
Director Male	Percentage	43.00	38.00	**38.00**
Director Female	Percentage	57.00	62.00	**62.00**
Manager to Senior Manager Male	Percentage	65.00	61.00	**56.00**
Manager to Senior Manager Female	Percentage	35.00	39.00	**44.00**
Executive to Assistant Manager Male	Percentage	70.00	68.00	**67.00**
Executive to Assistant Manager Female	Percentage	30.00	32.00	**33.00**
Non-executive Male	Percentage	93.00*	92.00*	**93.00**
Non-executive Female	Percentage	7.00*	8.00*	**7.00**
Contingent Worker Male	Percentage	6.00	5.00	**5.00**
Contingent Worker Female	Percentage	94.00	95.00	**95.00**

* *Data have been restated due to removal of contract employees from this category.*

Indicator	Measurement Unit	2022	2023	2024
C3(b) Percentage of directors by gender and age group				
Male	Percentage	60.00	60.00	**60.00**
Female	Percentage	40.00	40.00	**40.00**
Generation Z	Percentage	0.00	0.00	**0.00**
Millennial	Percentage	0.00	0.00	**0.00**
Generation X	Percentage	60.00	60.00	**60.00**
Baby Boomer	Percentage	40.00	40.00	**40.00**
Bursa (Energy management)				
C4(a) Total energy consumption	Megawatt	43,125.00*	40,613.00*	**40,389.00**

* *Data have been restated as Bursa LINK platform requires this data to be reported in Megawatt instead of Megajoule (as per Bursa Sustainability Reporting Guide).*

Indicator	Measurement Unit	2022	2023	2024
Bursa (Health and safety)				
C5(a) Number of work-related fatalities	Number	0	0	**0**
C5(b) Lost time incident rate ("LTIR")	Rate	0	0.37*	**0.16****
C5(c) Number of employees trained on health and safety standards	Number	265	535	**542**
S3(a) Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Percentage	100	100	**100**
S3(b) Total number of incidents of noncompliance with regulations or voluntary codes concerning the health & safety impacts of products and services within the reporting period	Number	0	0	**0**
S3(c) Number of recalls issued and total units recalled for health and safety reasons	Number	0	0	**0*****

* *Data has been restated due to discrepancy in calculation.*

** *Data reported covers Carlsberg Malaysia operations only.*

*** *In 2024, there was no instances of consumer-related product recalls related to food safety and quality. There were, however, packaging defect incidents where our team has identified and rectified the matter in accordance to Carlsberg Operational Manual (COM) guidelines.*

Indicator	Measurement Unit	2022	2023	2024
Bursa (Labour practices and standards)				
C6(a) Total hours of training by employee category				
Director	Hours	380	330	**402**
Manager to Senior Manager	Hours	5,066	5,735	**6,338**
Executive to Assistant Manager	Hours	12,694	15,679	**16,842**
Non-executive	Hours	629*	733*	**616**
Contingent Worker	Hours	0	0	**0**
C6(b) Percentage of employees that are contractors or temporary staff	Percentage	28.00*	28.00*	**27.00**

* *Data have been restated due to inclusion of contingent employees.*

BURSA ESG PERFORMANCE TABLE INDEX

Indicator	Measurement Unit	2022	2023	2024
Bursa (Labour practices and standards)				
C6(c) Total number of employee turnover by employee category				
Director	Number	3	3	**1**
Manager to Senior Manager	Number	24	16	**18**
Executive to Assistant Manager	Number	79	62	**65**
Non-executive	Number	16*	11*	**9**
Contingent Worker	Number	76	61	**49**
C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	**0**

* *Data have been restated due to removal of contract employees from this category.*

Indicator	Measurement Unit	2022	2023	2024
Bursa (Supply chain management)				
C7(a) Proportion of spending on local suppliers	Percentage	71.00*	69.00*	**75.00**
S5(a) Total weight or volume of materials that are used to produce and package products and services	Kilograms	52,914,240.00	45,743,860.00	**50,215,520.00**
S6(a) Percentage of new suppliers that were screened using environmental criteria	Percentage	50.00	50.00	**100.00**
S6(b) Number of suppliers assessed for environmental impacts	Number	37	40	**41**
S7(a) Percentage of new suppliers that were screened using social criteria	Percentage	50.00	50.00	**100.00**
S7(b) Number of suppliers assessed for social impacts	Number	37	40	**41**

* *Data have been restated due to data improvement from change in basis of determining the percentage.*

** *Suppliers engaged by Carlsberg Malaysia Group are required to adhere to the Supplier and Licensee Code of Conduct. Included in this Code of Conduct are:*
- *Environmental criteria such as carbon emissions management, water and waste management (whichever applicable to the suppliers).*
- *Social criteria such as non-discrimination, no forced labour, no child labour, freedom of association and collective bargaining, no harassment,employee contracts that cover paid leave, states the working hours, benefits and wages and to provide a safe and healthy working environment.*

In addition to the above, in 2024, we introduced SEDEX (Supplier Ethical Data Exchange) screening and SEDG (Simplified ESG Disclosure Guide) disclosures to our suppliers as well.

*** *Suppliers covered include only raw material and packaging for Carlsberg Malaysia only as there is no production facility in Carlsberg Singapore.*

Indicator	Measurement Unit	2022	2023	2024
Bursa (Data privacy and security)				
C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	**0**
Bursa (Water)				
C9(a) Total volume of water used	Megalitres	518.000000	454.000000	**421.000000***
S8(a) Total volume of water (effluent) discharge over the reporting period	Megalitres	347.000000	266.000000	**228.000000**

* *Data includes both Carlsberg Malaysia brewery and Carlsberg Singapore office*

Indicator	Measurement Unit	2022	2023	2024
Bursa (Waste management)				
C10(a) Total waste generated	Metric tonnes	25,500.00	25,743.00	**28,211.00***
C10(a)(i) Total waste diverted from disposal	Metric tonnes	22,946.00	24,478.00	**26,767.00**
C10(a)(ii) Total waste directed to disposal	Metric tonnes	2,554.00	1,265.00	**1,444.00**

* *Data includes only Carlsberg Malaysia production site*

Indicator	Measurement Unit	2022	2023	2024
Bursa (Emissions management)				
C11(a) Scope 1 emissions in tonnes of CO_2e	Metric tonnes	4,784.00*	4,354.00*	**4,386.00**
C11(b) Scope 2 emissions in tonnes of CO_2e	Metric tonnes	9,768.00*	9,428.00	**9,691.00****
C11(c) Scope 3 emissions in tonnes of CO_2e	Metric tonnes	-	-	**1,825.00*****

* *Data have been restated due to changes in emissions factor. Scope 1 emissions cover only Carlsberg Malaysia as there is no production facility in Carlsberg Singapore.*

** *Scope 2 emissions include electricity from Carlsberg Malaysia regional offices and Singapore office.*

*** *Scope 3 emissions covers:*
Category 5 - Waste generated in operations
Category 6 - Business Travel
Category 7 - Employee Commute

GRI & SASB CONTENT INDEX

Statement of Use: Carlsberg Group has reported the information cited in this GRI content index for the period 1st January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used: GRI 1: Foundation 2021
Applicable GRI Sector Standard: Not applicable

ESG Pillar	GRI Standard	Disclosure Number	Disclosure Title	SASB	UN SDG	UNGC	Page Reference and Remarks
	General Disclosures						
	GRI 2: General Disclosures 2021	**The organization and its reporting practices**					
		2-1	Organizational details				1, 251
		2-2	Entities included in the organization's sustainability reporting				1
		2-3	Reporting period, frequency and contact point				1
		2-4	Restatements of information				114, 139-143, 252-254
		2-5	External assurance				20 selected subject matters in the Sustainability Statement have been internally reviewed and assured by Carlsberg Malaysia's Internal Audit Department to enhance its accuracy and reliability. Refer to page 144-145 for the Statement of Assurance.
		Activities and workers					
		2-6	Activities, value chain and other business relationships				10-11
		2-7	Employees				7, 74, 142, 254
		2-8	Workers who are not employees				7, 74, 142
		Governance					
		2-9	Governance structure and composition				92-93, 149
		2-10	Nomination and selection of the highest governance body				151
		2-11	Chair of the highest governance body				147
		2-12	Role of the highest governance body in overseeing the management of impacts				81, 92-93
		2-13	Delegation of responsibility for managing impacts				81, 92-93
		2-14	Role of the highest governance body in sustainability reporting				1, 81, 92-93
		2-15	Conflicts of interest				147 No Director has any conflict of interest with the Group.
		2-16	Communication of critical concerns				155
		2-17	Collective knowledge of the highest governance body				149
		2-18	Evaluation of the performance of the highest governance body				153
		2-19	Remuneration policies				151-152
		2-20	Process to determine remuneration				151-152
		2-21	Annual total compensation ratio				Not disclosed due to information confidentiality
		Strategy, policies and practices					
		2-22	Statement on sustainable development strategy				31

GRI & SASB CONTENT INDEX

ESG Pillar	GRI Standard	Disclosure Number	Disclosure Title	SASB	UN SDG	UNGC	Page Reference and Remarks
	General Disclosures						
	GRI 2: General Disclosures 2021	**Strategy, policies and practices**					
		2-23	Policy commitments				80, 83-137, 154
		2-24	Embedding policy commitments				83-137, 154-155
		2-25	Processes to remediate negative impacts				154-155 and 159-161
		2-26	Mechanisms for seeking advice and raising concerns				155
		2-27	Compliance with laws and regulations				146-160
		2-28	Membership associations				90, 133
		Stakeholder engagement					
		2-29	Approach to stakeholder engagement				71-73
		2-30	Collective bargaining agreements				We successfully concluded negotiations for the 2025–2027 Collective Agreement with the Union of Beverage Industry Workers. As a result, our brewery workers will now enjoy improved allowances, flexible benefits, higher accommodation rates for business travel, enhanced medical coverage for critical illnesses and increased life insurance coverage.
	Material Topics						
	GRI 3: Material Topics 2021	3-1	Approach to stakeholder engagement				82
		3-2	List of Material Topics				82
Economic Priorities	**Product Quality and Safety**						
	GRI 3: Material Topics 2021	3-3	Management of material topics	FB-AB-440a. FB-AB-440a.2	12		83
	GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories				84
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services				84
	Responsible Advertising and Marketing						
	GRI 3: Material Topics 2021	3-3	Management of material topics	FB-AB-270a.1 FB-AB-270a.2 FB-AB-270a.3 FB-AB-270a.4	3, 12, 17		85
	GRI 417: Marketing and Labelling 2016	417-1	Requirements for product and service information and labelling				86
		417-2	Incidents of non-compliance concerning product and service information and labelling				86
		417-3	Incidents of non-compliance concerning marketing communications				86
	Responsible Supply Chain Management and Responsible Sourcing						
	GRI 3: Material Topics 2021	3-3	Management of material topics	FB-AB-430a.1	8, 12	Principle 1, 2, 4	88
	GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers				88, 143, 254
	GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria				88
	GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria				88

GRI & SASB CONTENT INDEX

ESG Pillar	GRI Standard	Disclosure Number	Disclosure Title	SASB	UN SDG	UNGC	Page Reference and Remarks
	General Disclosures						
Environmental Stewardship	**Adapting to Climate Change**						
	GRI 3: Material Topics 2021	3-3	Management of material topics				91-106
	GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change				91-106
	Water Use and Management						
	GRI 3: Material Topics 2021	3-3	Management of material topics	FB-AB-140a.1 FB-AB-140a.2	6, 12	Principle 7, 8, 9	107
	GRI 303: Water and Effluents 2018	303-2	Management of water discharge-related impacts				101, 107-109
		303-4	Water discharge				108
		303-5	Water consumption				108, 143, 254
	Sustainable Packaging and Materials						
	GRI 3: Material Topics 2021	3-3	Management of material topics	FB-AB-410a.1 FB-AB-410a.2	12		110
	GRI 301: Materials 2016	301-1	Materials used by weight or volume				110-111
		301-2	Recycled input materials used				110-111
		301-3	Reclaimed products and their packaging materials				110-111
	Energy, Carbon and Waste Management						
	GRI 3: Material Topics 2021	3-3	Management of material topics	FB-AB-130a.1	7, 12	Principle 7, 8, 9	112
	GRI 302: Energy 2016	302-1	Energy consumption within the organization				113, 141, 253
		302-3	Energy intensity				113
		302-4	Reduction of energy consumption				113
	GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions				114, 143, 254
		305-2	Energy indirect (Scope 2) GHG emissions				114, 143, 254
		305-3	Other indirect (Scope 3) GHG emissions				114, 143, 254
		305-5	Reduction of GHG emission				114-115
	GRI 306: Waste 2020	306-2	Management of significant waste-related impacts				115
		306-3	Waste generated				116, 143, 254
		306-4	Waste diverted from disposal				116, 143, 254
		306-5	Waste diverted to disposal				116, 143, 254
Social Commitments	**Employee Safety, Health and Wellness**						
	GRI 3: Material Topics 2021	3-3	Management of material topics		8		118
	GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system				119
		403-2	Hazard identification, risk assessment, and incident investigation				119, 121
		403-3	Occupational health services				119
		403-4	Worker participation, consultation, and communication on occupational health and safety				119

GRI & SASB CONTENT INDEX

ESG Pillar	GRI Standard	Disclosure Number	Disclosure Title	SASB	UN SDG	UNGC	Page Reference and Remarks
	General Disclosures						
Social Commitments	**Employee Safety, Health and Wellness**						
	GRI 403: Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety				120, 142, 253
		403-6	Promotion of worker health				120
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships				118-119
		403-8	Workers covered by an occupational health and safety management system				118
		403-9	Work-related injuries				121, 142, 253
	Diversity, Equity and Inclusion and Talent Development						
	GRI 3: Material Topics 2021	3-3	Management of material topics		3, 5, 8	Principle 6	123
	GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees				130, 139-141, 146, 253
	GRI 406: Nondiscrimination 2016	406-1	Incidents of discrimination and corrective actions taken				138
	GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee				130
		404-2	Programmes for upgrading employee skills and transition assistance programs				128-129
	Community, Social Impact and Investment						
	GRI 3: Material Topics 2021	3-3	Management of material topics		3, 8		131, 139, 252
	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported				131-132
	Preventing Harmful Use of Alcohol						
	GRI 3: Material Topics 2021	3-3	Management of material topics		3, 12, 17		133-136
	Human Rights and Labour Standards						
	GRI 3: Material Topics 2021	3-3	Management of material topics		3, 8	Principle 1, 2, 3, 4, 5, 6	137-138, 142, 254
Corporate Governance	**Anti-Bribery, Corruption and Competition**						
	GRI 3: Material Topics 2021	3-3	Management of material topics			Principle 10	154-155
	GRI 205: Anti-corruption 2016	205-1	Operations assessed for risk related to corruption				139, 252
		205-2	Communication and training about anti-corruption policies and procedures				139, 252
		205-3	Confirmed incidents of corruption and actions taken				139, 252
	GRI 206: Anti-Competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices				

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IFRS S1					
	Indicators		**Description**		**Page**
	Governance				
27	(A)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	(i)	How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s).	81, 93
			(ii)	How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities.	81, 93
			(iii)	How and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities.	81, 93
			(iv)	How the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	81, 93
			(v)	How the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets (see Paragraph 51), including whether and how related performance metrics are included in remuneration policies.	81, 93
	(B)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about:	(i)	Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee.	81, 93
			(ii)	Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	81, 93
IFRS S2					
	Governance				
6	(A)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	(i)	How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	93
			(ii)	How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate related risks and opportunities;	We will work towards this disclosure in our future reporting.
			(iii)	How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	81
			(iv)	How the body(s) or individual(s) takes into account climaterelated risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	93
			(v)	How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	93
	(B)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	(i)	Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	93
			(ii)	Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	93

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IFRS S2				
	Indicators		Description	Page
	Strategy			
9	Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:	(a)	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects (see paragraphs 10–12);	96-102
		(b)	The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain (see paragraph 13);	99-102
		(c)	The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan (see paragraph 14);	100-102
		(d)	The climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	99
10	**Climate-related risks and opportunities**			
	An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:	(a)	Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	96-102
		(b)	Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	100-102
		(c)	Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term— the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	100-102
		(d)	Explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	94
13	**Business model and value chain**			
	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climaterelated risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	(a)	A description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	96-98
		(b)	A description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	95
14	**Strategy and decision-making**			
	(A) Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	(i)	Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);	100-102
		(ii)	Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications);	100-102
		(iii)	Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains);	100-102
		(iv)	Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and	
		(v)	How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	103
	(B) Information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph (A).			99-102
	(C) Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph (A).			107-109, 112-117

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IFRS S2				
	Indicators		**Description**	**Page**
	Strategy			
	Financial position, financial performance and cash flows			
16	(A) Specifically, an entity shall disclose quantitative and qualitative information about:	(i)	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	99
		(ii)	The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	99
	(B) How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	(i)	Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and	99-102
		(ii)	Its planned sources of funding to implement its strategy;	99
	(C) How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).			100-102
	Climate resilience			
22	(A) The entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:	(i)	The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;	99-102
		(ii)	The significant areas of uncertainty considered in the entity's assessment of its climate resilience;	102
		(iii)	The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including;	
			1. the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities;	99
			2. the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and	99
			3. the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and	99
	(B) How and when the climate-related scenario analysis was carried out, including:	(i)	Information about the inputs the entity used, including:	
			(1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios;	96
			(2) whether the analysis included a diverse range of climate-related scenarios;	96
			(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	96
			(4) whether the entity used, among its scenarios, a climate related scenario aligned with the latest international agreement on climate change;	95-96, 105
			(5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	96
			(6) the time horizons the entity used in the analysis; and	96
			(7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	95

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IFRS S2			
	Indicators	**Description**	**Page**
	Strategy		
	Climate resilience		
		(ii) The key assumptions the entity made in the analysis, including assumptions about:	
		(1) climate-related policies in the jurisdictions in which the entity operates;	95, 98, 101
		(2) macroeconomic trends;	95
		(3) national- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources);	95
		(4) energy usage and mix; and	99-103
		(5) developments in technology; and	99-103
		(iii) The reporting period in which the climate-related scenario analysis was carried out (see paragraph B18).	94
	Risk Management		
25	(A) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	(i) The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	95
		(ii) Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	96
		(iii) How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	96
		(iv) Whether and how the entity prioritises climate-related risks relative to other types of risk;	96
		(v) How the entity monitors climate-related risks; and	95
		(vi) Whether and how the entity has changed the processes it uses compared with the previous reporting period;	94, 105
	(B) The processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and		95
	(C) The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.		95
	Metrics and targets		
28		(a) Information relevant to the cross-industry metric categories (see paragraphs 29–31);	95
		(b) Industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and	95
		(c) Targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets (see paragraphs 33–37).	95
	Climate-related metrics		
29	(A) greenhouse gases—the entity shall:	(i) Disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent (see paragraphs B19–B22), classified as: (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; and (3) Scope 3 greenhouse gas emissions;	114
		(ii) Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25);	1, 103, 105, 115

IFRS CONTENT INDEX

IFRS S2			
	Indicators	**Description**	**Page**
	Metrics and targets		
	Climate-related metrics		
29	(A) greenhouse gases—the entity shall:	(iii) Disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including:	
		(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	115
		(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	-
		(3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes	254
		(iv) For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between:	
		(1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and	114
		(2) other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	114
		(v) For Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions (see paragraphs B30–B31); and	114
		(vi) For Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose: (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and	114
		(2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management,	We will work towards this disclosure in our future reporting.
		(b) Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	99
		(c) Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	99
		(d) Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities;	99
		(e) Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	99-103
		(f) Internal carbon prices—the entity shall disclose: (i) an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and (ii) the price for each metric tonne of greenhouse gas emissions the	We will work towards this disclosure in our future reporting.
		(g) Remuneration—the entity shall disclose: (i) a description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)); and (ii) the percentage of executive management remuneration recognised in the current period that is linked to climaterelated considerations.	We will work towards this disclosure in our future reporting.
32	Climate-related metrics	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the entity discloses, the entity shall refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the Industry-based Guidance on Implementing IFRS S2.	107, 108

IFRS CONTENT INDEX

IFRS S2			
	Indicators	**Description**	**Page**
	Metrics and targets		
	Climate-related targets		
33	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	(a) The metric used to set the target (see paragraphs B66–B67);	106, 112
		(b) The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	106
		(c) The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	106
		(d) The period over which the target applies;	106
		(e) The base period from which progress is measured;	106
		(f) Any milestones and interim targets;	112
		(g) If the target is quantitative, whether it is an absolute target or an intensity target; and	103, 112
		(h) How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	We will work towards this disclosure in our future reporting.
34	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	(a) Whether the target and the methodology for setting the target has been validated by a third party;	We will work towards this disclosure in our future reporting.
		(b) The entity's processes for reviewing the target;	114
		(c) The metrics used to monitor progress towards reaching the target; and	103
		(d) Any revisions to the target and an explanation for those revisions.	We will work towards this disclosure in our future reporting.
35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.		
36	For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:	(a) Which greenhouse gases are covered by the target.	103, 114
		(b) Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	103, 114
		(c) Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target	We will work towards this disclosure in our future reporting.
		(d) Whether the target was derived using a sectoral decarbonisation approach.	
	(E) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70–B71:	(i) The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	We will work towards this disclosure in our future reporting.
		(ii) Which third-party scheme(s) will verify or certify the carbon credits;	
		(iii) The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
		(iv) Any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-Fifth (55th) Annual General Meeting ("AGM") of Carlsberg Brewery Malaysia Berhad ("the Company") will be held at Dorsett Grand Subang Hotel, Grand Selangor Ballroom, Jalan SS12/1, 47500 Subang Jaya, Selangor, Malaysia ("Venue") on Wednesday, 7 May 2025 at 10.00 a.m. to transact the following businesses:

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon. **Please refer to Explanatory Note A.**

2. To approve the payment of a Final Single-Tier Dividend of 35 sen per ordinary share in respect of the financial year ended 31 December 2024. **Resolution 1**

3. To re-elect Stefano Clini, who retires pursuant to Article 21.6 of the Constitution of the Company, as Director of the Company. **Resolution 2**

4. To re-elect Chan Po Kei Kay, who retires pursuant to Article 21.6 of the Constitution of the Company, as Director of the Company. **Resolution 3**

5. To approve the payment of Directors' fees and benefits up to an amount of RM600,000 for the period from 8 May 2025 until the next Annual General Meeting of the Company. **Resolution 4**

6. To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

Special Business

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

7. **ORDINARY RESOLUTION** **Resolution 6**
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL 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 parties as set out in Section 2.3 of the Circular to Shareholders dated 28 March 2025 ("the Related Parties") provided that such transactions are:-

(a) necessary for the Group's 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 Parties than those generally available to the public; and
(c) are not to the detriment of the minority shareholders of the Company

("Proposed 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 Proposed 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 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 at a general meeting,

whichever is the earlier;

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 Proposed Shareholders' Mandate."

8. To consider any other business of which due notice shall be given in accordance with the Companies Act 2016 and the Company's Constitution.

NOTICE OF DIVIDEND PAYMENT AND CLOSURE OF REGISTER

NOTICE IS HEREBY GIVEN THAT, subject to the approval of the shareholders at the 55th AGM to be held on Wednesday, 7 May 2025, a Final Single-Tier Dividend of 35 sen per ordinary share in respect of the financial year ended 31 December 2024 will be payable on 4 July 2025 to shareholders registered in the Register of Members and Record of Depositors at the close of business on 13 June 2025, 5.00pm.

A depositor shall qualify for entitlement to the dividends only in respect of:

(a) Shares transferred into the Depositor's securities account before 4.30 p.m. on 13 June 2025 in respect of transfers;
(b) Shares deposited into the Depositor's securities account before 12.30 p.m. on 10 June 2025 in respect of shares which are exempted from mandatory deposit; and
(c) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

Koh Poi San (SSM PC No. 201908000044) (LS No. 0009701)
Ong E-Shynn (SSM PC No. 202208000644) (MACS 01889)
Company Secretaries

Shah Alam
28 March 2025

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT NOTICE

1. For the purpose of determining who shall be entitled to participate in this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 23 April 2025**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM.

2. A member who is entitled to participate in this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.

3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM.

4. If a member wishes to participate in this AGM himself/herself, please do not submit any Form of Proxy for the AGM. Members will not be allowed to participate in the AGM together with a proxy.

5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.

7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

   (a) In hard copy form
   In the case of an appointment made in hard copy form, the Form of Proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

   (b) By electronic form
   The Form of Proxy can be electronically lodged with the Share Registrar of the Company via TIIH Online at https://tiih.online. Kindly refer to the procedures for electronic lodgement of Form of Proxy via TIIH Online.

NOTICE OF ANNUAL GENERAL MEETING

9. Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.

10. Last date and time for lodging the Form of Proxy is on **Monday, 5 May 2025 at 10.00 a.m.**

11. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

12. For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:-

    (a) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the Constitution of the corporate member.

    (b) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:

        (i) at least two (2) authorised officers, of whom one shall be a director; or
        (ii) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

EXPLANATORY NOTE

1. Note A

This Agenda item is meant for discussion only as under the provision of Section 340(1)(a) of the Act, the audited financial statements do not require formal approval of shareholders and hence the matter will not be put forward for voting.

2. Resolution 1 – Declaration of a Final Single-Tier Dividend

Pursuant to Paragraph 8.26(2) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, the final single-tier dividend, if approved, will be paid no later than three (3) months from the date of shareholders' approval.

3. Resolutions 2 to 3 – Re-election of Directors

Stefano Clini and Chan Po Kei Kay ("Retiring Directors") are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 55th AGM.

The Retiring Directors do not have any conflict of interest with the Company and have no family relationship with any Directors and/or major shareholder of the Company.

The Retiring Directors had provided the Directors' Fit and Proper Declarations and the Board had through the Nomination and Remuneration Committee ("NRC") assessed the Retiring Directors and agreed that they met the criteria as prescribed by Paragraph 2.20A of the MMLR of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time to effectively discharge their role as Directors.

The Board had also through the NRC assessed the independence of Stefano Clini and Chan Po Kei Kay and is satisfied that they met the criteria of independence as prescribed in the MMLR of Bursa Malaysia Securities Berhad.

4. Resolution 4 – Directors' Fees and Benefits

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Directors' fees and benefits for the period from 8 May 2025 until the next AGM are calculated based on the current Board size and the number of scheduled Board and Committee meetings for 2025 up to the next AGM. In the event the proposed amount is insufficient, e.g. due to additional meetings or enlarged Board size, approval will be sought at the next AGM for the shortfall.

The resolution, if passed, will allow the Company to make the payment to the Non-Executive Directors ("NEDs") on a monthly basis. The Board is of the view that it is just and equitable for the NEDs to be paid such payment on a monthly basis after they have discharged their responsibilities and rendered their services to the Company.

5. Resolution 5 – Re-appointment of Auditors

The Audit Committee and the Board have assessed the suitability, objectivity and independence of the Auditors, Messrs PricewaterhouseCoopers PLT and considered the re-appointment of Messrs PricewaterhouseCoopers PLT as Auditors of the Company. The Audit Committee and the Board collectively agreed and are satisfied that Messrs PricewaterhouseCoopers PLT meets the relevant criteria prescribed by Paragraph 15.21 of the MMLR of Bursa Malaysia Securities Berhad.

EXPLANATORY NOTE ON SPECIAL BUSINESS

1. Resolution 6 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature (collectively "Proposed Shareholders' Mandate")

This resolution, if passed, will authorise the Company and each of its subsidiaries to enter into Recurrent Related Party Transactions of a revenue or trading nature in the ordinary course of business.

The detailed text on Resolution 6 on the Proposed Shareholders' Mandate is included in the Circular to Shareholders dated 28 March 2025.

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.....

Number of Shares held:	
CDS Account No.	
If more than 1 proxy, please specify number of shares represented by each proxy	
Name of Proxy 1 & No. of Shares	
Name of Proxy 2 & No. of Shares	

Carlsberg Malaysia

CARLSBERG BREWERY MALAYSIA BERHAD
[Registration No. 196901000792 (9210-K)]
(Incorporated in Malaysia)

FORM OF PROXY

I/We, ______________________________ I.C./Passport/Company No. ______________
of ______________________________ Telephone Number. ______________
being a member of the above named Company, hereby appoint ______________________________
I.C./Passport No. ______________________________ of ______________________________
AND/OR* (*delete as appropriate) ______________________________
I.C./Passport No. ______________________________ of ______________________________
OR failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Fifty-Fifth (55th) Annual General Meeting ("AGM") of the Company to be held at Dorsett Grand Subang Hotel, Grand Selangor Ballroom, Jalan SS12/1, 47500 Subang Jaya, Selangor, Malaysia ("Venue") on Wednesday, 7 May 2025 at 10.00 a.m., and at any adjournment thereof. The proxy is to vote on the business before the meeting as indicated below (if no indication is given, the proxy will vote as he thinks fit or abstain from voting):

Item	AGENDA	FOR	AGAINST
1	Payment of a Final Single-Tier Dividend of 35 sen per ordinary share.		
2	Re-election of Stefano Clini as Director.		
3	Re-election of Chan Po Kei Kay as Director.		
4	Approval of Directors' fees and benefits up to an amount of RM600,000 from 8 May 2025 until the next Annual General Meeting.		
5	Re-appointment of Messrs PricewaterhouseCoopers PLT as Auditors and authorise the Directors to fix their remuneration.		
6	Proposed renewal of shareholders' mandate for Recurrent Related Party Transactions of a revenue or trading nature and proposed new shareholders' mandate for additional Recurrent Related Party Transactions of a revenue or trading nature.		

Please indicate with a tick (√) how you wish your vote to be cast in respect of each resolution above. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.

As witness my/our hand this ______________ day of ______________________________ 2025.

Signed by the said ______________________________

* Manner of execution:
(a) If you are an individual member, please sign where indicated.
(b) If you are a corporate member which has a common seal, this Form of Proxy should be executed under seal in accordance with the Constitution of your corporation.
(c) If you are a corporate member which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your corporation (If any) and executed by:-
  (i) at least two (2) authorised officers, of whom one shall be a director; or
  (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:

1. For the purpose of determining who shall be entitled to participate in this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 23 April 2025**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM.
2. A member who is entitled to participate in this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM.
4. If a member wishes to participate in this AGM him/herself, please do not submit any Form of Proxy for the AGM. Members will not be allowed to participate in the AGM together with a proxy.
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
   (i) In hard copy form
   In the case of an appointment made in hard copy form, the Form of Proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
   (ii) By electronic form
   The Form of Proxy can be electronically lodged with the Share Registrar of the Company via TIIH Online at https://tiih.online. Kindly refer to the procedures for electronic lodgement of Form of Proxy via TIIH Online.
9. Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.
10. Last date and time for lodging the Form of Proxy is on **Monday, 5 May 2025 at 10.00 a.m.**.
11. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
12. For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:-
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   (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
      (a) at least two (2) authorised officers, of whom one shall be a director; or
      (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

FIRST FOLD

Affix stamp

SHARE REGISTRAR
CARLSBERG BREWERY MALAYSIA BERHAD [196901000792 (9210-K)]
Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3, Bangsar South,
No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

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CARLSBERG BREWERY MALAYSIA BERHAD
[196901000792 (9210-K)]

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