



# 48TH

# ANNUAL GENERAL MEETING

# MD Presentation



Lars Lehmann  
Managing Director  
12 April 2018

# FINANCIAL PERFORMANCE

# Good Growth Momentum in 2017



**Strong performance in MY**



**Trade offer adjustment of RM17.2m in SG related to prior years**



**Business recovery in Sri Lanka**



**Free cash flow growth of 36% to RM305.3m**

# 7.9% Growth in Net Profit

- Revenue of the Group grew 5.3% to RM1.77b and a net profit growth of 7.9% to RM 221.2m.
- In MY, revenue grew 6.8% to RM 1.17b whilst profit from operations improved by 10.6% to RM 216.4m.
- In SG, profit from operations declined 16.1% to RM 82.6m on the back of a revenue growth of 2.4% to RM 597.3m negatively impacted by trade offer adjustments of RM 17.2m in 2017.
- In Sri Lanka, LBCP reported a share of loss of RM 0.2m vs a share of loss of RM 5.1m in 2016.
- Free cash flow improved significantly by 36.1% to RM305m.

Share of loss  
**RM0.2mil**  
 in 2017 against a share  
 of loss of RM5.1mil in 2016





# Our Strategy – SAIL'22



## STRENGTHEN THE CORE



Grow in Mainstream



Win in Store



Fund the Journey



## POSITION FOR GROWTH



Go Big in Premium



Build New Revenue Streams



## DELIVER VALUE FOR SHAREHOLDERS



Growth in Net Profit



High and Stable Dividend Yield



CREATE A WINNING CULTURE



DEFEND OUR LICENSE TO OPERATE



# Our Strategy – SAIL'22



## STRENGTHEN THE CORE



Grow in  
Mainstream

**+7%**

with Carlsberg and  
Carlsberg Smooth  
Draught



Win in Store

**Met  
Target**

with better in-store  
execution



Fund  
the Journey

**Exceeded  
Target**

with cost  
efficiencies

# 7% growth in mainstream with Carlsberg brand





# CARLSBERG'S 170<sup>th</sup> ANNIVERSARY

Probably The Best Birthday Celebration

**Probably The Best BREWERY TOUR**

Redemption Period: 30 June 2017 - 31 July 2017 or while stocks last.

**STAND A CHANCE TO WIN**

**10x GRAND PRIZE**  
VIP Brewery Tour with a friend to Denmark  
\*All events paid for

**300x FIRST PRIZE**  
VIP Brewery Tour with 5 friends to Carlsberg Malaysia  
\*One-for-all, accommodation provided

**REDEMPTION**

- 36 x Carlsberg T-shirt
- 12 x Carlsberg Smooth Brewage

**Carlsberg** Probably the best beer in the world.

## Probably The Best Brewery Tour to Copenhagen & Shah Alam



An entourage of **32** Malaysians to Copenhagen



Over **2,000** visitors to Shah Alam





NOW YOU CAN GET  
**DRAUGHT**  
ANYWHERE!

**+91%**  
volume growth

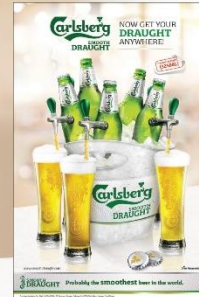
THE BIGGEST  
BEER INNOVATION  
**CARLSBERG  
SMOOTH DRAUGHT**



**Complete Portfolio**

Available in 580ml quart  
bottles, 325ml pint bottles,  
320ml and 500ml cans

**325ml** single-serve  
pint bottles launched in Malaysia



Over  
**200,000**  
consumers reached  
through massive  
sampling activation



[www.smoothdraught.com](http://www.smoothdraught.com)

Drink Responsibly

**SMOOTH  
DRAUGHT**

Probably the smoothest beer in the world.

PROBABLY THE  
BEST PARTNERSHIP  
IN PREMIER  
LEAGUE

**CARLSBERG &  
LIVERPOOL FC**

MALAYSIA & SINGAPORE



2017/18 season marked  
the **25<sup>th</sup>**

anniversary of Carlsberg as  
the Official Beer of Liverpool  
Football Club

**Limited-edition**  
gift packs for Malaysia and  
Singapore Liverpool fans



**Over  
1.2 million**  
engagements  
through our  
digital activities  
and social media  
platforms

**A  
Tale of Pride  
and Partnership**

25 years ago, a glorious union was sparked, bringing great pleasure to the world. Two of the most celebrated names in the land of leisure cultivated a deep bond with one wearing the other's name on their chest, loud and proud. Then, the alliance blossomed into something truly special.

Carlsberg became Liverpool FC's official beer partner – benefiting not only each other, but also the thousands of people who knew and loved them.



**Probably The  
Best Limited  
Edition Beer**

brewed from special  
red hop plants exposed to  
25 years of iconic  
Liverpool FC footage  
infused with the sound  
of roaring fans

Brewed by specially cultivated red hop plants immersed in 25 years' worth of Liverpool FC match footage, this limited edition Carlsberg-Liverpool FC beer is a tribute to an unwavering partnership. Cheers to many more years to come.



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Growth in Net Profit



High and Stable Dividend Yield



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# Our Strategy – SAIL'22



## POSITION FOR GROWTH



Go Big in  
Premium

**+24%**

with Kronenbourg 1664 Blanc, Somersby Cider, Asahi Super Dry and Connor's Stout Porter



Build New  
Revenue Streams

**2 craft  
brews**

Brooklyn Lager and Brooklyn East IPA launched in Malaysia and Singapore

# 24% growth in Premium brands



1664 BLANC  
+44%



SOMERSBY  
+27%



LAUNCH  
SOMERSBY  
SPARKLING  
ROSE



ASAHI  
SUPER DRY  
+14%



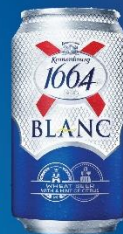
CONNOR'S  
+42%

# THE FASTEST GROWING WHEAT BEER **KRONENBOURG 1664 BLANC**

New thematic campaign  
– **Pause for a Blue  
Christmas**



Iconised the  
unique blue and  
white colours of  
Kronenbourg 1664  
Blanc with  
the launch of  
**new  
320ml can**



**+44%**  
volume growth



High visibility created with  
**Kronenbourg 1664  
Blanc Christmas  
trees** at multiple bars  
and restaurants

The month-long **Pause for a Blue  
Christmas campaign** culminated with  
the biggest and bluest Christmas party ever!  
Consumers were mesmerised by an 18-foot tall  
Christmas trees made of the iconic Kronenbourg  
1664 Blanc bottles, a giant inflatable snow globe  
and blue and white Santa and Santarinas

# NO.1 CIDER IN MALAYSIA AND SINGAPORE **SOMERSBY**

**+27%**  
volume growth

## MALAYSIA

New thematic campaign  
**#MAGICMOMENTS**  
launched

Somersby Sparkling Rose launched in December 2017 as a limited-edition brew for Christmas and New Year celebrations



Somersby was the only cider brand that won at **Putra Brand Awards 2017**



Over **20,000** consumers engaged via the "Applefull" sampling activation and **#MAGICMOMENTS** nationwide consumer promotions

Somersby Sparkling Rose is a semi-sweet casually elegant variant. It has the taste of sparkling wine, but lighter and more refreshing

## SINGAPORE



Launched in October 2017, **Somersby Elderflower Lime** offers a fruity, fragrant taste with a twist of fresh lime



MALAYSIA



Over **3,000** consumers reached via a series of Club Asahi parties held with Japanese clubbing theme



SINGAPORE

Boost consumption in selective coffee shops and food courts in Singapore with the launch of Asahi Super Dry in **640ml bottles**

Expanded Asahi Super Dry Black distribution into super and hypermarkets

Asahi **seasonal variants** in Singapore



JAPAN'S NO. 1  
PREMIUM BEER  
**ASAHI SUPER DRY**

**+14%**  
volume growth





Connor's Challenge campaign successfully drove trials amongst targeted consumers and delivered **Satisfaction Guaranteed**



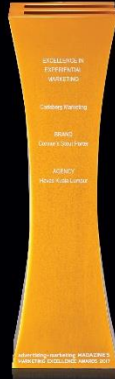
8 out of 10 tried it and love it, achieving an

**80%**  
satisfaction rate

Over **20,000**  
consumers reached



Over **5,000** satisfied consumers recommended Connor's to their families and friends



**Awarded GOLD for Excellence in Experiential Marketing** at the advertising+marketing Magazine's Marketing Excellence Awards 2017

DRAUGHT STOUT  
"JUST MADE RIGHT"  
**CONNOR'S STOUT PORTER**

**+42%**  
volume growth



# THE LEADING US INTERNATIONAL CRAFT BRAND **BROOKLYN**



Partnership with New York's largest craft beer exporter **Brooklyn Brewery** to tap on the emerging trend of craft beer in Malaysia and Singapore



Imported Brooklyn Brewery's great tasting craft beers Brooklyn Lager and Brooklyn East IPA into Malaysia and Singapore

## SINGAPORE

### **Brooklyn Seasonal variants**

– Brooklyn Naranjito, Brooklyn Summer Ale, Brooklyn Oktoberfest and Brooklyn Sorachi Ace are available in bottles in Singapore



**Brooklyn Lager** and **Brooklyn East IPA** in draught are available at flagship bars in Singapore since August 2017



**Brooklyn East IPA** is a drinkable Indian Pale Ale packed with flavour

### **Brooklyn Lager**

is a refreshing Vienna style lager with a floral hop aroma



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# Our Strategy – SAIL'22



## DELIVER VALUE FOR SHAREHOLDERS



Growth in Net  
Profit

**+7.9%**

achieved in 2017  
vs 2016

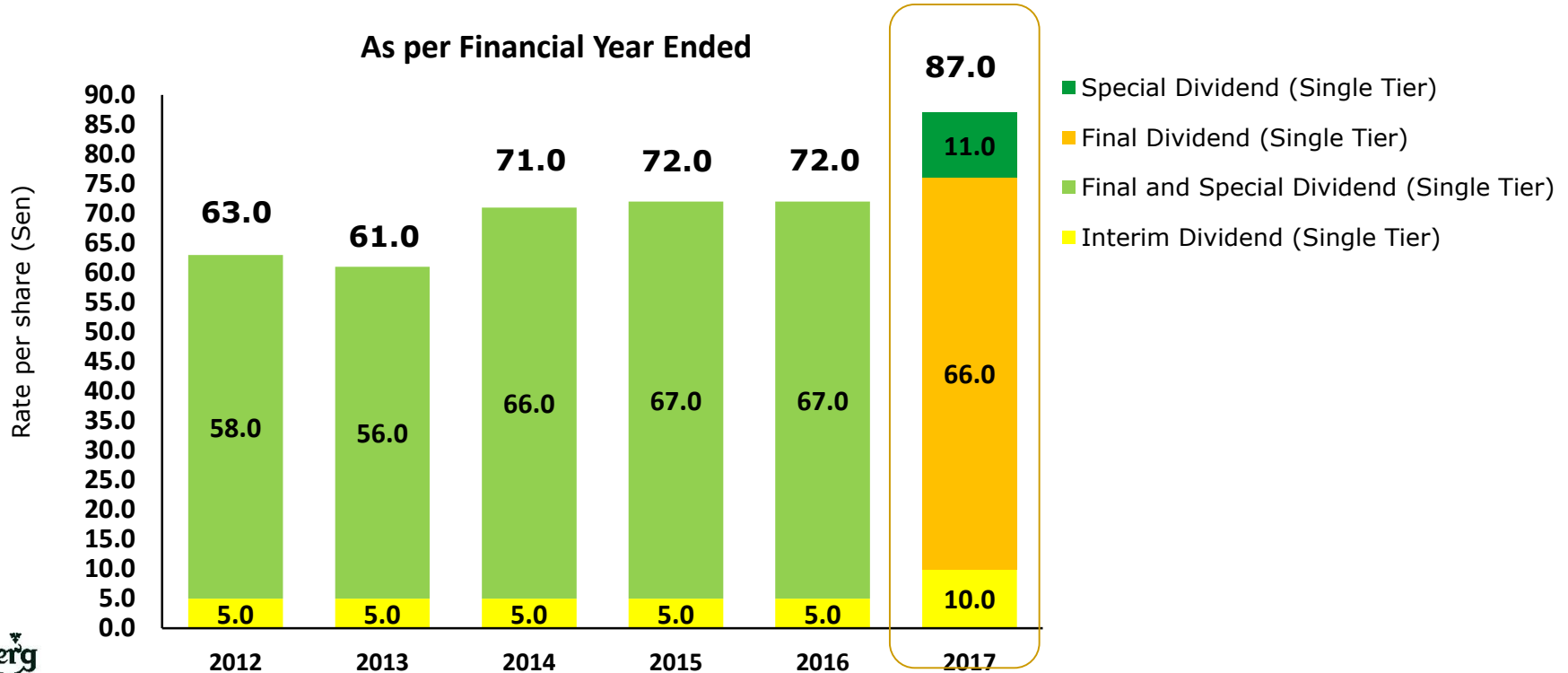


High Dividend  
Payout

**114.5%**

of net profit in 2017 vs  
104.5% of net profit  
in 2016

# High Dividend Payout at 114.5% of Net Profit in 2017 vs 104.5% in 2016



# Share Price Development

(Apr 2017 - Mar 2018)



# OUTLOOK 2018

# Carlsberg

恭  
喜  
發  
財  
  
新  
年  
快  
樂

Probably The Most  
Victorious Year!  
Gong Xi Fa Cai.



Jan - Feb '18



堪稱全球最佳啤酒。  
Probably the best beer in the world.





Mar '18



ARE YOU A STOUT DRINKER?

TAKE THE CHALLENGE FOR

**FREE!**

VISIT [WWW.STOUTCHALLENGE.COM.MY](http://WWW.STOUTCHALLENGE.COM.MY)  
FOR MORE INFO



#CELEBRATERESPONSIBLY

Terms & conditions apply.

# April Fool's Prank 😊



Somersby Malaysia added 13 new photos from April 1 at 12:00am.

April 1 at 12:00am · 🌐 · 📷

Surprise! Somersby cider is coming out with new and exciting flavours! Let us know which one you look most forward to try in the comments section and WIN e-vouchers! Terms and conditions apply

<http://bit.ly/SomersbyEVoucherTnC>

#SomertimeAnytime #SomersbyMY





SOMERSBY.

# SOMERTIME ANYTIME

JOIN US AND GET A FREE SOMERSBY!



Apr '18



Carlsberg  
SMOOTH  
DRAUGHT

Apr '18



#CELEBRATERESPONSIBLY



SMOOTH  
DRAUGHT

Probably the **smoothest** beer in the world.



May - Jul '18

BUY CARLSBERG AND ENJOY THE MATCH!

Collect merchandise from your favourite team



PROBABLY THE BEST PRIZES AWAIT YOU!  
[www.probablythebest.com/football](http://www.probablythebest.com/football)  
\*Some restrictions apply.

#CELEBRATERESPONSIBLY

**Carlsberg** Probably the best football beer in the world.

# YOU ARE INVITED TO...

## Probably The Best Brewery Tour



in conjunction with

**Probably The Best Football Party** in mid June to mid July 2018!

- It is open to the first **200 shareholders**, who register online via Carlsberg Malaysia corporate website – '**Visit Carlsberg**' → '**Book Tour**'.
- For more info, please contact Ms. Fazleen Oii on 03 – 5522 6414.

# Outlook for 2018



- ❖ Macroeconomic environment and consumer sentiment to improve in MY and remain stable in SG.
- ❖ In SG, the introduction of the European Free Trade Agreement by mid-2018 will pose a further challenge from cheaper imports.
- ❖ Malaysian authorities continued to curb contraband beer to strengthen the legitimate

tax-paying part of the beer market in the country.

- ❖ Execution of the SAIL'22 strategy to continue driving growth momentum.
- ❖ Improved operational performance in Sri Lanka and higher sales expected to continue following the change in excise duties structure in Nov 2017.

# LEADERSHIP CHANGE



# Farewell Outgoing Chairman



**Dato' Lim Say Chong**  
J.S.M., D.M.P.N.  
Aged 77, Malaysian

## Sincere Appreciation & Thank You

for your significant contributions over the past  
**15 years,**  
13 years of which as Independent Non-Executive  
**Chairman.**

# Welcome New Chairman



## Datuk (William) Toh Ah Wah

P.M.W, Aged 60, Malaysian

- ✦ Appointed as **Independent Non-Executive Chairman**; and **Chairman of the Remuneration Committee** as well as **Chairman of the Nomination Committee** effective 12 Apr 2018.
- ✦ Former MD of British American Tobacco Malaysia (BAT), who joined Rothmans of Pall Mall (Malaysia) Berhad in July 1981, which later merged into BAT in 1999 and retired in end June 2013.
- ✦ Responsible for Sales and Marketing in Malaysia before taking over regional roles throughout Asia Pacific region including China, Hong Kong, Taiwan, New Zealand, South Asia and South East Asia.
- ✦ Currently serving 3 Boards – Petronas Chemicals Group Berhad, CTBAT International Company Limited based out of Hong Kong and Choice Foundation.





# New CFO & Company Secretary

## Lim Chee Keat

Aged 46, Malaysian, MICPA, MIA

- ✦ Appointed as **Chief Financial Officer (CFO)** and **Company Secretary** on 12 Feb 2018.
- ✦ Responsible for Finance, Legal & Company Secretarial and IT of the Group, including the Finance operations in Carlsberg Singapore.
- ✦ Prior to this appointment, he was the Director and CFO of PT Innovate Mas Indonesia, a telecommunications company in Jakarta, and has held several senior Finance positions in Astro Malaysia Holdings Berhad.
- ✦ Started his career with Arthur Andersen Malaysia before joining PricewaterhouseCoopers Hong Kong.



# New General Manager, CSPL



## Olivier Dubost

Aged 44, French, MBA, ESCP Management Business School of Paris

- ✦ Appointed as **General Manager, Carlsberg Singapore Pte. Ltd.** on 6 Feb 2018; Director, 51% owned subsidiary MayBev Pte. Ltd.
- ✦ Part of Management Team of Carlsberg Malaysia Group to deliver greater synergies between Singapore and Malaysia operations.
- ✦ Prior to this appointment, he was Vice President Commercial of Carlsberg Asia (based in Hong Kong) since May 2016; Vice President of Marketing at Brasseries Kronenbourg in France from 2011 to 2016.
- ✦ Held various marketing functions within Henkel France, LVMH Group in London and Colgate Palmolive in France, Spain/Portugal and Europe.



# THANK YOU

Carlsberg  
Malaysia

SOMERSBY

