

FOR IMMEDIATE RELEASE

Press Statement 05/2024

07 February 2024

Page 1 of 2

Carlsberg Malaysia reports revenue of RM2.3bil and Net Profit of RM333mil in FY23

Financial Highlights for the financial year ended 31 December 2023 (FY23):

- Group revenue declined by 6.3% to RM2.3 billion (FY22: RM2.4 billion)
 - Malaysia revenue declined by 7.1% to RM1.6 billion (FY22: RM1.7 billion)
 - Singapore revenue declined by 4.3% to RM650.9 million (FY22: RM679.9 million)
- Group profit from operations declined by 6.2% to RM398.8 million (FY22: RM425.1 million)
 - Malaysia profit from operations declined by 7.0% to RM311.7 million (FY22: RM335.3 million)
 - Singapore profit from operations declined by 3.1% to RM87.1 million (FY22: RM89.9 million)
- Group net profit grew by 5.1% to RM333.2 million (FY22: RM317.0 million)
- Group earnings per share (EPS) at 108.99 sen (FY22: 103.70 sen)
- Proposed final dividend per share at 31 sen, subject to shareholders' approval (Final dividend 2022: 25 sen)

Financial Highlights for the quarter ended 31 December 2023 (Q4FY23):

- Group revenue declined by 5.3% to RM580.5 million (Q4FY22: RM612.8 million)
 - Malaysia revenue declined by 4.8% at RM407.0 million (Q4FY22: RM427.7 million)
 - Singapore revenue declined by 6.2% at RM173.5 million (Q4FY22: RM185.1 million)
- Group profit from operations grew by 8.3% to RM90.4 million (Q4FY22: RM83.5 million)
 - Malaysia profit from operations grew by 11.2% to RM66.4 million (Q4FY22: RM59.7 million)
 - Singapore profit from operations grew by 1.0% to RM24.0 million (Q4FY22: RM23.8 million)
- Group net profit grew by 39.7% to RM84.0 million (Q4FY22: RM60.1 million)
- Group earnings per share (EPS) at 27.48 sen (Q4FY22: 19.66 sen)

SHAH ALAM, 7 February 2024 – Carlsberg Brewery Malaysia Berhad (the Group) has reported a 6.3% decline in revenue to RM2.3 billion, whilst net profit registered a 5.1% increase to RM333.2 million for the financial year ended 31 December 2023 (FY23).

The decline in revenue was due to lower sales in both Malaysia and Singapore as a result of the shorter sales period during Chinese New Year last year, and consumers pulled back on discretionary spending.

The higher earnings are the result of a lower tax charge due to the absence of Prosperity Tax 2022 of RM21.6 million in FY23, coupled with the recognition of deferred tax income of RM11.3 million relating to reinvestment allowance for the new bottling line installed last year. An increase in our share of profit from our Sri Lankan-based associate company, Lion Brewery (Ceylon) PLC also contributed to the higher earnings.

The Group's earnings per share (EPS) for FY23 was 108.99 sen, an increase of 5.1%, versus 103.70 sen in FY22.

For the fourth quarter ended 31 December 2023 (Q4FY23), the Group's net profit grew 39.7% to RM84.0 million versus the corresponding quarter in 2022, while its revenue declined 5.3% to RM580.5 million. The increase in net profit for the quarter is due to the absence of Prosperity Tax of RM6.8 million, recognition of deferred tax income of RM11.3 million and the absence of one-off expenses of RM5.5 million incurred in Q4FY22 pertaining to the disposal of the old bottling line, despite the higher marketing expenses for the quarter.

The Board of Directors is pleased to recommend a final dividend of 31 sen per share, subject to the shareholders' approval at the upcoming 54th Annual General Meeting. Upon approval, this will bring the total declared dividend for FY23 to 93 sen per share.

"While the Group's top-line was impacted by high inflationary pressures and weak consumer sentiment, we are pleased to report continued growth in net profit for the full year of 2023 as we execute the first year of our SAIL'27 strategy. This is noteworthy, especially considering the higher 2022 base due to pent-up demand post-COVID," said the Group's Managing Director Stefano Clini.

"Our 2024 Chinese New Year (CNY) campaign is complemented by vibrant marketing activities revolving around our CNY limited edition packaging. We are also proud to announce the launch of locally brewed Sapporo Premium Beer with effect from 1 January 2024. We are confident that these innovations will further spur growth as we remain committed to investing in and expanding our premiumisation strategy," added Clini.

This year, the Group has planned capital expenditure (CapEx) of RM92 million for a new canning line and filtration system which aims to deliver higher production automation, flexibility and capacity. This initiative will reduce energy and water consumption as aligned with the Group's Together Towards Zero and Beyond (TTZAB) agenda.

"This expansion marks a significant milestone in our '*Brewery Transformation Journey*', as we strive to build a more innovative, resilient, and sustainable business," Clini said.

Fostering the Group's commitment in offering quality brews and engaging brands to Malaysian beer, cider and stout consumers, the brewer has most recently earned four accolades – Platinum Award for its flagship brand Carlsberg for the third consecutive year, 1664 won Silver, while Somersby Cider and Connor's Stout Porter won a Bronze Award each under the Beverage - Alcoholic category at the 14th edition Putra Brand Awards 2023.

Notably, the Group was awarded the Platinum Excellence award for companies with market capitalisation ranging between RM2 billion to RM10 billion at the National Annual Corporate Report Awards 2023 in Malaysia.

On prospects, the Group remains mindful of the prevailing uncertainty in the economic landscape, encompassing high interest rates, continuing inflationary pressures and currency fluctuations along with the impact of sales and services tax (SST), that may pose obstacles to current economic growth

and consumer sentiments, and which may create volatility in our earnings from quarter to quarter in 2024.

“Under our SAIL'27 strategies, the Group will remain vigilant on cost control management while continuing to reinvest in its brands to sustain growth and deliver sustainable long-term value creation for shareholders, amidst the ongoing economic uncertainties,” Clini concluded.

– End –

For more communication materials, scan here:



Contacts

Vivian Gun, Chief Financial Officer	+603-55226 416	vivian.gun@carlsberg.asia
Pearl Lai, Corporate Affairs & Sustainability Director	+603-55226 414	pearl.lai@carlsberg.asia

About Carlsberg Malaysia

Carlsberg Brewery Malaysia Berhad was incorporated in December 1969. We are a dynamic brewer with operations in Malaysia and Singapore, with stakes in a brewery in Sri Lanka. We also have a regional presence via exports to Hong Kong, Taiwan, Laos, Cambodia and Thailand.

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

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