

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in Carlsberg Brewery Malaysia Berhad (Company No. 9210-K), please hand this Circular, together with the accompanying Form of Proxy, to the agent through whom the sale or transfer was contracted or effected for onward transmission to the purchaser or transferee.

Bursa Malaysia Securities Berhad ("Bursa Securities") takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



**CARLSBERG BREWERY MALAYSIA BERHAD**  
**(Company No.: 9210-K)**  
**(Incorporated in Malaysia)**

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

- (i) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
- (ii) PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE.**

The above proposals will be tabled as Special Business at Carlsberg Brewery Malaysia Berhad's 43rd Annual General Meeting. Notice of the 43rd Annual General Meeting, to be held at Sunway Pyramid Convention Center, Level CP3, No 3 Jalan PJS 11/15, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan on Friday, 26 April 2013 at 11.00 a.m. is set out in the Annual Report of Carlsberg Brewery Malaysia Berhad for the financial year ended 31 December 2012.

A Form of Proxy is set out in the Annual Report of Carlsberg Brewery Malaysia Berhad for the financial year ended 31 December 2012. You are urged to complete and deposit the Form of Proxy at the office of the Company's Share Registrar, Tricor Investor Services Sdn. Bhd., located at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, no later than 48 hours before the time of the meeting. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : **Wednesday, 24 April 2013 at 11.00 a.m.**  
Date and time of the 43rd Annual General Meeting : **Friday, 26 April 2013 at 11.00 a.m.**

**This Circular is dated 4 April 2013**

## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout and for the purposes of this Circular only:

Act	- Companies Act, 1965 as amended from time to time and any re-enactment thereof
AGM	- Annual General Meeting
Audit Committee	- Audit Committee of the Company
BDSB	Bennison Distillery Sdn. Bhd.
Beerite	Beerite (M) Sdn. Bhd.
BK	- Brasseries Kronenbourg SAS
Board	- Board of Directors of the Company
Bursa Depository	- Bursa Malaysia Depository Sdn. Bhd.
Bursa Securities	- Bursa Malaysia Securities Berhad
CBAS	- Carlsberg Breweries A/S
CBGL	- Carlsberg Brewery (Guangdong) Ltd
CGPAG	- Carlsberg Group Procurement AG
CHKL	- Carlsberg Hong Kong Ltd
CIT	- Carlsberg IT A/S
CMSA	- Capital Markets and Services Act, 2007
Code	- Malaysian Code on Take-Overs and Mergers, 2010
Company	- Carlsberg Brewery Malaysia Berhad (Company No. 9210-K)
CSAB	- Carlsberg Sverige AB
CUKL	- Carlsberg UK Limited
Director	- Shall have the meaning given in Section 2(1) of the CMSA and for the purposes of the Proposed Shareholders' Mandate, this includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Director of the Company or any other company which is its subsidiary or holding company or a chief executive officer of the Company, its subsidiary or holding company
DMG	- Danish Malting Group A/S
DMG Polska	- Danish Malting Group Polska
EKSB	- Eurobier Koncepts Sdn. Bhd.
EPS	- Earnings per share
GJF	Graham James Fewkes
Group	- Company, its wholly-owned subsidiaries, namely Carlsberg Marketing Sdn. Bhd., Euro Distributors Sdn. Bhd., Carlsberg Singapore Pte Ltd and its subsidiary, LHFB.

## DEFINITIONS *(Cont'd)*

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Hock Lee	Hock Lee & Co Sdn. Bhd.
HVTB	- Hanoi Vungtau Beer Joint Stock Co
ICB	Ice Cold Bier Sdn. Bhd.
KSCW	- Kenneth Soh Chee Whye, a Director of LHFB
LHA	- Luen Heng Agency Sdn. Bhd.
LHFB	- Luen Heng F & B Sdn. Bhd., a subsidiary of the Company
Listing Requirements	- The Main Market Listing Requirements of Bursa Securities including any amendments that may be made from time to time
Major Shareholder(s)	<p>- A person who (which includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon) has an interest or interests in one or more voting shares in the Company (or any other company which is its subsidiary or holding company) and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is</p> <p>a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the Company; or</p> <p>b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the Company where such person is the largest shareholder of the Company.</p> <p>For the purpose of this definition, “interest in shares” shall have the meaning given in section 6A of the Act.</p>
Market Day(s)	- A day/days on which the stock market of Bursa Securities is/are open for trading in securities as defined in the Listing Requirements of Bursa Securities
M&A	- Memorandum and Articles of Association of the Company
NA	- Net assets
Proposed New Shareholders’ Mandate	- Proposed new shareholders’ mandate for additional Recurrent RPTs of a revenue or trading nature
Proposed Renewal Shareholders’ Mandate	- Proposed renewal of the existing shareholders’ mandate for the Recurrent RPTs of a revenue or trading nature
Proposed Shareholders’ Mandate	- Proposed renewal of and new shareholder’s mandate for the Group to enter into the Recurrent RPTs
REB	- Roy Enzo Bagattini
Record of Depositors	- A record provided by Bursa Depository to the Company under Chapter 24 of its rules including any amendments thereof issued by Bursa Depository
Recurrent RPTs	- RPTs involving recurrent transactions of a revenue or trading nature which are in the ordinary course of business and are necessary for day-to-day operations of the Group

## **DEFINITIONS (*Cont'd*)**

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Related Party/Parties	- A Director, Major Shareholder or person connected with such Director or Major Shareholder of the Company
RM and sen	- Ringgit Malaysia and sen, respectively
RAL	Roland Arthur Lawrence
RPTs	- Transactions entered into by the Group which involves the interest, direct or indirect of a Related Party/Parties
SC	- Securities Commission
Shares	- Ordinary shares of RM0.50 each in the Company
SOAS	- Saku Olletahase AS
SR	Soren Ravn
SSSp	- Slodownia Strzegom Sp.z.o.o.
World Wide	World Wide Privilege Sdn Bhd

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporate the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

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**CARLSBERG BREWERY MALAYSIA BERHAD**

(Company No.: 9210-K)  
(Incorporated in Malaysia)

**Registered Office:**

No. 55, Persiaran Selangor  
Section 15, 40200 Shah Alam  
Selangor Darul Ehsan

4 April 2013

**Board of Directors**

Dato' Lim Say Chong, J.S.M., D.M.P.N. (*Independent Non-Executive Chairman*)  
Soren Ravn (*Managing Director*)  
Datuk M.R. Gopala Krishnan C.R.K. Pillai, P.J.N. (*Senior Independent Non-Executive Director*)  
Roy Enzo Bagattini (*Non-Executive Director*)  
Graham James Fewkes (*Non-Executive Director*)  
Roland Arthur Lawrence (*Non-Executive Director*)

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To: The Shareholders of Carlsberg Brewery Malaysia Berhad

Dear Sir/Madam,

- (ii) **Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature to be entered into by the Company with its related parties ("Proposed Renewal Shareholders' Mandate"); and**
- (iii) **Proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature to be entered into by the Company with its related parties ("Proposed New Shareholders' Mandate").**

(collectively referred to as "Proposals").

**1. INTRODUCTION**

On 26 February 2013, the Board announced the Proposals.

The purpose of this Circular is to provide you with relevant information on the Proposals, to set out your Board's recommendation thereon and to seek your approval for the resolutions relating to the Proposals to be tabled at the forthcoming AGM.

**2. PROPOSED SHAREHOLDERS' MANDATE**

**2.1 Listing Requirements**

Under Paragraph 10.09 of the Listing Requirements, a listed company may seek a shareholders' mandate in respect of Recurrent RPTs subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;

- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the consideration, assets value, capital outlay or costs of the Recurrent RPTs is RM1 million or more, or the percentage ratio of such Recurrent RPTs is 1% or more, whichever is higher;
- (c) issuance of a circular to shareholders by the Company containing information as specified in the Listing Requirements;
- (d) in a meeting to obtain shareholders' mandate, interested Directors, interested Major Shareholders and interested persons connected with such Director or Major Shareholder; and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution approving the transactions. An interested Director or interested Major Shareholder must also ensure that persons connected with him abstain from voting on the resolution approving the transactions.
- (e) the Company immediately announces to Bursa Securities when the actual value of a Recurrent RPTs entered into by the Company, exceeds the estimated value of Recurrent RPTs disclosed in this Circular by 10% or more.

## 2.2 Details of the Proposed Shareholders' Mandate

The principal activities of the Company and the Group are the production of beer, stout, shandy and non-alcoholic beverages for sale and distribution in the local market and for export. The Group's product range includes Carlsberg Green Label, Carlsberg Gold, Carlsberg Special Brew, Skol, Skol Super, Danish Royal Stout, Asahi Super Dry, Kronenbourg 1664, Kronenbourg 1664 Blanc, Connor's, Tetley's English Ale, Corona Extra, Nutrimalt and Jolly Shandy. In addition, the Group's product range also extends to other imported premium beers (such as Budweiser, Stella Artois, Becks, Hoegaarden, Somersby Apple Cider, Grimbergen and Foster's amongst others), wines and spirits.

In the ordinary course of its business, the Group has entered into certain Recurrent RPTs and it is anticipated that the companies within the Group would, in the ordinary course of business, continue to enter into such transactions with Related Parties, details of which are set out in Section 2.3 below. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

The Board is seeking shareholders' approval for the Proposed Shareholders' Mandate for the Group to enter into transactions in the normal course of business within the classes of Related Parties set out in Section 2.3 below, provided such transactions are entered into at arm's length and on normal commercial terms which are not more favourable to the Related Party than those generally available to the public and which will not be to the detriment of the minority shareholders. Such mandate will enable the Group to enter into the Recurrent RPTs without the necessity, in most instances, to make the otherwise required announcement or to convene meetings in order to procure specific prior approval of its shareholders. The Recurrent RPTs will also be subject to the review procedures set out in Section 2.7 below.

The Proposed Shareholders' Mandate will take effect from the date the Ordinary Resolution is passed by the shareholders at the forthcoming 43rd AGM and will remain in effect until:

- (a) the conclusion of the next AGM of the Company, following the general meeting at which the Proposed Shareholders' Mandate was passed at which time it will lapse, unless the authority is renewed by a resolution passed at the meeting;
- (b) the expiration of the period within which the next AGM after the date is required to be held pursuant to section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by shareholders in general meeting;

whichever is the earlier.

Thereafter, if the Board decides that the renewal of the Proposed Shareholders' Mandate is desirable, shareholders' approval for such renewal will be sought at each subsequent AGM of the Company.

### 2.3 Class and nature of the Recurrent RPTs

The Recurrent RPTs to be covered by the Proposed Shareholders' Mandate are general transactions by the Group relating to the sale and procurement of products and services to/from Related Parties in the normal course of the business of the Group. Details of these Recurrent RPTs are set out below:

#### (a) Proposed Renewal of Shareholders' Mandate

Transacting Parties	Interested Related Parties	Nature of Transaction	<sup>(1a)</sup> Estimated Value of Transactions	<sup>(2)</sup> Actual Value Transacted	<sup>(1b)</sup> Estimated Value of Transactions
				(27 April 2012 - 4 March 2013)	
			(RM' million)	(RM' million)	(RM' million)
CBAS and the Group	REB, GJF, SR, RAL and CBAS	Purchase of raw materials (hops, yeasts, aroma etc) and related services from CBAS	1.0-5.0	1.2	1.0-5.0
CBAS and the Group	REB, GJF, SR, RAL and CBAS	Provision of administrative support and property leasing services to CBAS	0.2-1.0	0.2	0.2-1.0
CBAS and the Group	REB, GJF, SR, RAL and CBAS	Provision of administrative support services from CBAS	4.0-10.0	5.4	4.0-10.0
CBAS and the Group	REB, GJF, SR, RAL and CBAS	Royalties payable to CBAS for inter alia, the exclusive use of trademark licences and supply of technical and commercial assistance	25.0-50.0	38.3	25.0-50.0
CBGL and the Group	REB, GJF, SR, RAL and CBAS	Purchase of beverage products from CBGL	1-5	0	0
DMG and the Group	REB, GJF, SR, RAL and CBAS	Purchase of raw materials (malts) from DMG	5.0-30.0	1.2	5.0-30.0



<b>Transacting Parties</b>	<b>Interested Related Parties</b>	<b>Nature of Transaction</b>	<b><sup>(1a)</sup> Estimated Value of Transactions</b>	<b><sup>(2)</sup> Actual Value Transacted</b>	<b><sup>(1b)</sup> Estimated Value of Transactions</b>
CUKL and the Group	REB, GJF, SR, LRA and CBAS	Purchase of beverage products and services from CUKL	1.0-5.0	0.1	1.0-5.0
DMG Polska and the Group	REB, GJK, SR, RAL and CBAS	Purchase of raw materials (malts) from Polska	10-30	0	0
SSSp and the Group	REB, GJF, SR, RAL and CBAS	Purchase of raw materials (malts) from SSSp	1.0-5.0	0.9	1.0-5.0
CIT and the Group	REB, GJF, SR, RAL and CBAS	Purchase of IT services from CIT	1.0-5.0	0.6	1.0-5.0
CGPAG and the Group	REB, GJF, SR, RAL and CBAS	Purchase of materials and services (A&P items) from CGPAG	6.0-20.0	10.8	6.0-20.0
BK and the Group	REB, GJF, SR, RAL and CBAS	Purchase of beverage products from BK	3.0-10.0	1.0	3.0-10.0
EKSB and LHFB	KSCW and LHA	Sale and supply of goods by LHFB to EKSB <sup>(3)</sup> (iv)-(vii)	4.0-5.0	4.1	4.0-5.0
LHA and LHFB	KSCW and LHA	Rental of property by LHFB from LHA <sup>(4)</sup>	0.5-1.5	0.9	0.5-1.5
Beerite and LHFB	KSCW and LHA	Rental of property by LHFB from Beerite <sup>(3)</sup> (iv)-(vi), (viii) & <sup>(5)</sup>	0.5-1.5	0.2	0.5-1.5
HVTB and the Group	REB, GJF, SR, RAL and CBAS	Purchase of beverage products from HVTB	7.0-15.0	9.7	7.0-15.0
SOAS and the Group	REB, GJF, SR, RAL and CBAS	Purchase of beverage products from SOAS	2.0-10.0	1.8	2.0-10.0
CHKL and the Group	REB, GJF, SR, RAL and CBAS	Purchase of beverage products by CHKL	1.0-5.0	0.2	1.0-5.0

Transacting Parties	Interested Related Parties	Nature of Transaction	<sup>(1a)</sup> Estimated Value of Transactions	<sup>(2)</sup> Actual Value Transacted	<sup>(1b)</sup> Estimated Value of Transactions
CSAB and the Group	REB, GJF, SR, RAL and CBAS	Purchase of beverage products from CSAB	1.0-5.0	2.2	1.0-5.0

(b) Proposed New Shareholders' Mandate

Transacting Parties	Interested Related Parties	Nature of Transaction	<sup>(1b)</sup> Estimated Value of Transactions
			(RM' million)
Hock Lee	KSCW and LHA	Sale and supply of goods by LHFB to Hock Lee <sup>(3) (iv) - (vi) &amp; (x)</sup>	0.35-0.45
World Wide	KSCW	Sale and supply of goods by LHFB to World Wide <sup>(3) (iv) - (vi) &amp; (x)</sup>	0.2-0.3
ICB	KSCW	Sale and supply of goods by LHFB to ICB <sup>(3) (iv) - (vi), (ix), (xi)</sup>	0.4-0.6
BDSB	KSCW and LHA	Purchase of beverage products and services from BDSB <sup>(3) (iv) - (vi) (xii)</sup>	0.6-0.8

**Notes:**

- (1) (a) *The estimated value of transactions for the period from the conclusion of the 42<sup>nd</sup> AGM of the Company held on 26 April 2012 until the conclusion of the forthcoming 43<sup>rd</sup> AGM of the Company*
- (b) *The estimated value of transactions for the period from the conclusion of the forthcoming 43<sup>rd</sup> AGM of the Company until the conclusion of the next AGM of the Company in year 2014 is based on the budget of the Group and may be subject to changes.*
- (2) *The actual value of the Recurrent RPTs (for the period 27 April 2012 to 4 March 2013 being the latest practicable date prior to printing of this Circular) did not exceed by 10% or more of the estimated value as approved under the previous shareholders' mandate granted to the Company at the 43<sup>rd</sup> AGM held on 26 April 2013.*
- (3) *The nature of relationship with the above Related Parties is as follows as at 4 March 2013:*
- (i) *CBAS is the holding company and Major Shareholder of the Company, holding an equity interest of 51.0% in the Company.*
- (ii) *REB, GJF and RAL, who are Non-Executive Directors of the Company, are the Senior Vice-President, Asia of CBAS, the Commercial Vice-President, Asia of CBAS and Vice President Finance, Asia of CBAS respectively. SR is the Managing Director of the Company. All the four Directors namely, REB, GJF, RAL and SR are nominees/representatives of CBAS and do not hold any shares in CBAS nor the Company.*

- (iii) *BK, CBGL, CGPAG, CHKL, CIT, CMSA, CSAB, CUKL, DMG, DMG Polska, HVTB, SOAS and SSSp are subsidiaries of CBAS and do not hold any direct equity interest in the Company.*
  - (iv) *LHFB is a subsidiary of the Company and is in the business of selling and supplying alcoholic and non-alcoholic beverages. The Company and LHA hold 70% and 30% equity interests respectively in LHFB.*
  - (v) *KSCW is a director of BDSB, Beerite, EKSB, Hock Lee, ICB, LHA, LHFB and World Wide.*
  - (vi) *KSCW holds 28.51% equity interest in LHA.*
  - (vii) *SohYan Holdings Sdn Bhd ("SYHSB") holds 35% equity interest in EKSB. KSCW holds 28.50% equity interest in SYHSB.*
  - (viii) *LHA holds 95% equity interest in Beerite.*
  - (ix) *World Wide holds 30% equity in ICB.*
  - (x) *KSCW holds 25.86% equity interest in Hock Lee.*
  - (xi) *KSCW holds 15% equity interest in World Wide.*
  - (xii) *KSCW holds 27% equity interest in BDSB.*
- (4) *Rental of Property by LHFB from LHA –*
- a. *a three storey office premises warehouse, at No. 8, Jalan Kilang Midah, Taman Midah, 56000 KL for tenure of 01/12/2011 to 30/11/2014 at monthly rental of RM45,669.00.*
  - b. *a single storey warehouse, at No. 10, Jalan Kilang Midah, Taman Midah, 56000 KL for tenure 01/12/2011 to 30/11/2014 at monthly rental of RM9,121.00.*
  - c. *a building and two (2) cold rooms, at No. 14, Persiaran 118C, Desa Tun Razak, Cheras, 56000 KL for tenure of 01/12/2011 to 30/11/2014 at monthly rental RM6,372.00.*
- (5) *Rental of Property by LHFB from Beerite – a 1 1/2 storey warehouse cum office, at No. 31, Jalan Istimewa 4, Taman Perindustrian Cemerlang, 81800 Ulu Tiram, Johor Darul Takzim for tenure of 01/12/2011 to 30/11/2014 at monthly rental of RM6,480.00.*

#### **2.4 Amount Due and Owing to the Company by Related Parties**

As at the financial year ended 31 December 2012, there were no amounts due and owing to the Company by its Related Parties, which exceeded the credit term given arising from the RRPTs as per Section 2.3(a) of this Circular. The payments were made within the agreed credit terms.

#### **2.5 Terms of the Recurrent RPTs**

The terms of the Recurrent RPTs are consistent with the Group's usual business practices and policies and are not more favourable to the Related Parties than to the public (where applicable) and are not to the detriment of the minority shareholders of the Company.

However, the condition that the terms of the transactions are not more favourable to the Related Parties than to the public may not be applicable to royalties payable to CBAS. The royalties' payable by the Company to CBAS represents a typical transaction between the proprietor/supplier of trade names and know-how and the manufacturer/distributor of the products and have been approved by the Ministry of International Trade and Industry.

## **2.6 Rationale and Benefits for the Proposed Shareholders' Mandate**

The Recurrent RPTs envisaged under the Proposed Shareholders' Mandate are in the ordinary course of business of the Group. They are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and arise at any time and from time to time. As such, it may be impractical to seek shareholders' approval on a case-by-case basis before entering into such transactions.

The obtaining of the Proposed Shareholders' Mandate and the renewal of the same on an annual basis would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when potential Recurrent RPTs arise, thereby substantially reducing administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

The various Recurrent RPTs entered into by the Group as detailed in Section 2.3 above have previously been entered into, and will continue to be entered into, to meet the Group's business needs at the best possible terms and in the best interest of the Group.

## **2.7 Review procedures for the Recurrent RPTs**

The management of the Group has ensured, and will continue to ensure, that Recurrent RPTs will only be entered into after taking into account the pricing, quality of products and services and other related factors on terms not more favourable to the Related Parties than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders.

In so doing, the management of the Group has implemented and will continue to implement, the following methods and procedures to ensure that the Recurrent RPTs are undertaken on an arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public (where applicable):

- (a) The management of the Group are cognisant that, as in the past, all Recurrent RPTs are required to be undertaken on an arm's length basis and on normal commercial terms (where applicable), where at least 2 other contemporaneous quotations will be obtained from unrelated/third parties to ascertain appropriate prices and be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same of substantially similar type of produces/services and/or quantities. In the event that quotation or comparative price from unrelated third parties cannot be obtained, the price of the products or services shall be determined based on the usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations to ensure that the transactions are not detrimental to the Group;
- (b) Records are maintained by the Group to capture all Recurrent RPTs which are entered into pursuant to the Proposed Shareholders' Mandate and the threshold for approval of Recurrent RPTs currently practiced within the Group is RM1.0 million per annum. The Recurrent RPTs will be approved according to the level of authority pursuant to the internal guidelines or procedures for approving the Recurrent RPTs, where the Recurrent RPTs up to or above RM1.0 million shall be approved by the Board of Directors of the Company and the Recurrent RPTs below such amount will need the endorsement of the Managing Director and senior management team;

- (c) Review by the Internal Audit Department of the Company of all Recurrent RPTs entered into pursuant to the Proposed Shareholders' Mandate to ensure that the relevant approvals have been obtained and transactions are undertaken on an arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public (where applicable) and are not detrimental to the minority shareholders; However, the condition that the terms of the transactions are not more favourable to the Related Parties than to the public may not be applicable to royalties payable to CBAS as mentioned in item Section 2.3 above;
- (d) Review by the Audit Committee of the internal audit reports to ascertain that the guidelines and procedures established to monitor all Recurrent RPTs have been complied with and the review shall be done at least once a year; and
- (e) Review by the Board and the Audit Committee of the procedures as and when necessary, with the authority to sub-delegate to individuals or committees within the Company as they deem appropriate. If a member of the Board or Audit Committee has an interest (direct or indirect) in the transaction, he shall abstain from any decision-making by the Board or the Audit Committee in respect of that transaction.

## **2.8 Statement by the Audit Committee**

The Audit Committee has reviewed the terms of the Proposed Shareholders' Mandate and is satisfied that the review procedures for Recurrent RPTs, as well as the annual reviews to be made by the Audit Committee in relation thereto, are sufficient to ensure that Recurrent RPTs will be made at arm's length and in accordance with the Group's normal commercial terms, and hence, will not be prejudicial to the minority shareholders or disadvantageous to the Group and are not more favourable to the related party than those generally available to the public save for royalties payable by the Company to CBAS as stated under Section 2.3 of this Circular.

The Group has put in place adequate procedures and processes to monitor, track and identify Recurrent RPTs in a timely and orderly manner. The Audit Committee conducts the review of these procedures and processes on a yearly basis.

## **2.9 Interests of Directors' and Major Shareholders' interests and/or Persons Connected to them**

### Interested Directors:

Soren Ravn, Roy Enzo Bagattini, Graham James Fewkes and Roland Arthur Lawrence are deemed interested in the Proposed Renewal Shareholders' Mandate and Proposed New Shareholders Mandate as stated under Section 2.3 above as they are acting as nominees/representatives of CBAS.

The interested Directors, namely Soren Ravn, Roy Enzo Bagattini, Graham James Fewkes and Roland Arthur Lawrence have abstained and will continue to abstain and will also undertake to ensure that the persons connected to them abstain from deliberating and voting on the motion in respect of the Proposed Renewal Shareholders' Mandate and Proposed New Shareholders' Mandate as stated under Section 2.3 above at the relevant meetings of the Board of the Company and at the forthcoming 43rd AGM.

The interested Director of the subsidiary company, namely KSCW is deemed interested in the Proposed Renewal Shareholders' Mandate and the Proposed New Shareholders' Mandate. He has abstained and will continue to abstain and will also undertake to ensure that persons connected to him abstain from deliberating and voting on the motion in respect of the Proposed New Shareholders' Mandate at the forthcoming 43rd AGM.

Interested Major Shareholders:

CBAS (the holding company and Major Shareholder of the Company) and its subsidiaries are involved in the Recurrent RPTs set out in Section 2.3. CBAS as the Major Shareholder will abstain and will also undertake to ensure that the persons connected to it abstain from voting in respect of their direct and indirect shareholdings in the Company on the motion in respect of the Proposed Renewal Shareholders' Mandate and Proposed New Shareholders' Mandate to be tabled at the forthcoming 43rd AGM.

Save as disclosed above, none of the other Directors or Major Shareholders of the Company and/or persons connected to them have any interest, direct or indirect, in the Proposed Shareholders' Mandate.

The following table illustrates the direct and indirect shareholding of the Directors and/or Major Shareholders and/or persons connected with the Director/Major Shareholder in the Proposed Shareholders' Mandate in the Company as at 4 March 2013 (being the last practical date prior to printing of this Circular):

	Direct		Indirect	
	No of shares	%	No of shares	%
<b>INTERESTED DIRECTORS:</b>				
Soren Ravn	-	-	-	-
Roy Enzo Bagattini	-	-	-	-
Graham James Fewkes	-	-	-	-
Roland Arthur Lawrence				
KCSW	20,000	0.007	-	-

	Direct		Indirect	
	No of shares	%	No of shares	%
<b>INTERESTED MAJOR SHAREHOLDER:</b>				
CBAS	155,932,500	51.00	-	-
<b>INTERESTED PERSON CONNECTED:</b>				
LHA	-	-	-	-

**4. CONDITION OF THE PROPOSALS**

The Proposals are subject to the approval being obtained from the shareholders of the Company at the forthcoming AGM to be convened.

## 5. SHARE PRICE PERFORMANCE

The monthly highest and lowest prices of the Shares for the 12 months from April 2012 to March 2013 as traded on the Main Market of Bursa Securities are as follows:

	HIGH (RM)	LOW (RM)
<b><u>2012:</u></b>		
April	11.56	10.46
May	11.02	10.24
June	12.98	10.30
July	12.42	11.76
August	12.54	11.88
September	12.20	11.22
October	13.10	11.98
November	13.20	12.10
December	13.00	12.48
<b><u>2013:</u></b>		
January	12.50	11.60
February	13.00	11.74
March	13.00	12.80
The last transacted market price of the Shares on 4 March 2013 ( <i>being the latest practicable date prior to the printing of this Circular</i> )		

## 6. DIRECTORS' RECOMMENDATION

Having considered all aspects of the Proposals, your Board (save for the interested Directors specified in Section 2.9 above namely Soren Ravn, Roy Enzo Bagattini, Graham James Fewkes and Roland Arthur Lawrence, who have all abstained from making a recommendation on the Proposed Shareholders' Mandate as they are deemed interested in the Proposed Shareholders' Mandate), is of the opinion that the Proposals are in the best interest of the Company. Your Board (save for Soren Ravn, Roy Enzo Bagattini, Graham James Fewkes and Roland Arthur Lawrence) therefore recommends that you vote in favour of the resolutions pertaining to the Proposals to be tabled at the forthcoming 43rd AGM.

**7. AGM**

The Ordinary Resolutions to approve the Proposals are set out in Appendix II of this Circular and as Special Business in the Notice of AGM contained in the Company's Annual Report for the financial year ended 31 December 2012, which is being sent to you together with this Circular. The 43rd AGM will be held at Sunway Pyramid Convention Center, Level CP3, No. 3, Jalan PJS 11/15, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan on Friday, 26 April 2013 at 11.00 a.m.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the Form of Proxy enclosed in the Company's Annual Report in accordance with the instructions printed therein as soon as possible, so as to arrive at the office of the Company's Share Registrar, Tricor Investor Services Sdn Bhd, located at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, no later than 48 hours before the time set for the AGM or any adjournment thereof. The completion and lodging of the Form of Proxy does not preclude you from attending and voting in person at the AGM if you subsequently wish to do so.

**8. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendices for further information.

Yours faithfully  
For and on behalf of the Board of Directors of  
**CARLSBERG BREWERY MALAYSIA BERHAD**

**Dato' Lim Say Chong**  
**Chairman**



**FURTHER INFORMATION**

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**1. Responsibility Statement**

This Circular has been reviewed and approved by the Board and its members individually and collectively accept full responsibility for the accuracy of the information contained herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Circular misleading.

**2. Material Contracts**

The Company and its subsidiary companies have not entered into any contracts which are material during the two (2) years preceding the date of this Circular other than contracts entered into in the ordinary course of business.

**3. Material Litigation, Claims or Arbitration**

Neither the Company nor any of its subsidiary companies are engaged in any material litigation, claims or arbitration either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings, pending or threatened, against the Company or any of its subsidiary companies or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Company or its subsidiary companies.

**4. Documents for Inspection**

Copies of the following documents will be available for inspection at the Registered Office of the Company at No. 55, Persiaran Selangor, Section 15, 40200 Shah Alam, Selangor Darul Ehsan, during normal business hours from Mondays to Fridays (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of the forthcoming AGM:

- (i) M & A of the Company; and
- (ii) Audited financial statements of the Company for the past 2 financial years ended 31 December 2011 and 2012.

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**CARLSBERG BREWERY MALAYSIA BERHAD**

(Company No.: 9210-K)

(Incorporated in Malaysia)

**EXTRACT OF NOTICE OF THE FORTY-THIRD ANNUAL GENERAL MEETING****SPECIAL BUSINESS**

To consider and, if thought fit, pass with or without modifications, the following Resolutions:

**ORDINARY RESOLUTION 10****PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

“**THAT**, subject to the provisions of the 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 party as set out in Section 2.3(a) of the Circular to Shareholders dated 4 April 2013 (“the Related Party”) provided that such transactions are:-

- (a) necessary for the day-to-day operations;
- (b) undertaken in the ordinary course of business and at arm’s length basis and on normal commercial terms which are not more favourable to the Related Party than those generally available to the public; and
- (c) are not prejudicial to the minority shareholders of the Company

(“the 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 Shareholders’ Mandate is passed, at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Companies Act (“the Act”) (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) is revoked or varied by resolution passed by shareholders in a general meeting,

whichever is the earliest;

**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 Shareholders’ Mandate.”

**ORDINARY RESOLUTION 11****PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

“**THAT**, subject to the provisions of the 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 party as set out in Section 2.3(b) of the Circular to Shareholders dated 4 April 2013 (“the Related Party”) provided that such transactions and/or arrangements are:-

- (a) necessary for the day-to-day operations;

**EXTRACT OF NOTICE OF THE 43RD AGM**

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- (b) undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the Related Party than those generally available to the public; and
- (c) are not prejudicial to the minority shareholders of the Company

("the 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 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 the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting;

whichever is the earliest;

**AND THAT** the Directors of the Company be and are 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 Shareholders' Mandate."

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