

LIST OF Q & A FROM MINORITY SHAREHOLDERS WATCHDOG GROUP  
FOR CARLSBERG BREWERY MALAYSIA BERHAD'S 48<sup>th</sup> AGM on 12 April 2018

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*Strategic & Financial Matters*

1. With effect from 1 December 2017, the legal drinking age in Malaysia was revised from 18 to 21. What is the expected impact of this change on the revenue of the Company? Are there any other initiatives or strategies to mitigate this impact?

We do not expect any significant impact on our company's revenue with the recent change on the legal purchasing age, now being 21 years old and above.

We do not have data on this particular age group. However, from our estimate, our sales to the age group of 18 to 20 years old is a small percentage of our total sales revenue.

2. What were the reasons for the RM17.2 million trade offer adjustments in the Singapore operations and the possible recurrence of these adjustments In FY 2018 and going forward?

Trade offer accruals are based on sales volume, agreed trade terms and promotional activities with the trade distributors and customers. The calculations and estimation of accruals are complex as it requires the use of critical accounting estimates and assumptions by Management in determining the estimated sales volume. The one-off adjustment of RM17.2 million is evidence of the complexity in determining the accruals of trade discounts and volume rebates. This one-off adjustment had no cash flow impact.

As stated, this is a final one-off adjustment and we do not expect any more such adjustments for FY2018 and beyond. The Management had implemented a more vigorous review and reconciliation processes in estimating the sales volume and ensure that the trade offer accruals are properly calculated and recorded in the financial statements.