



Consolidated Questions

Real Time questions submitted by Shareholders via <https://tqh.online/> at 52nd AGM on Thursday, 14 April 2022.

Q&A FROM SHAREHOLDERS - 16

Brewery visit

Will there be any arrangement this year to visit Carlsberg Factory for the shareholder?

NS Ding/ YS Chan / TH Lee

Answer: Due to the recent resurgence in COVID-19 cases, we have yet to make a decision as to when there will be a brewery visit. In any case, as we move/shift into the endemic phase, we look forward to hosting you soon, once the situation allows.

Q&A FROM SHAREHOLDERS - 17

Regulatory

"Does carlsberg. Ready if gouvernement set an law.. As tobasco. Year 2000 and below not allow purchase...?"

LS Kow

Answer: To Carlsberg, beer, just like other category of beverages, should be consumed in moderation. Our products – beer, stout, wheat beer, cider and alcohol-free brews are manufactured with quality ingredients, marketed & sold in a responsible manner.

As we move into a health-conscious generation, the World Health Organisation's (WHO) is drafting a Global Alcohol Action Plan that seeks to strengthen the implementation of the Global Strategy to Reduce the Harmful Use of Alcohol. On top of that, the International Alliance for Responsible Drinking (IARD) also proposed measures to tackle irresponsible sales and marketing to minors.

At Carlsberg, we pledge our support for these global standards and are committed to tackle irresponsible beer sales to minors. In Malaysia, the legal purchasing age for alcohol is 21 years old and above. At this moment, there are no plans to address any sort of 'generation ban' and we believe such ban should not be applied to the sale of beers.

Q&A FROM SHAREHOLDERS - 18

Outlook

Q1: May I know, what is the company's future Outlook?

Q2: How much is the impact due to Covid-19?

KP Ong / YW Tan

Answer: On outlook, the global and local economies are recovering from the prolonged lockdowns and effects of Covid-19. However, several uncertainties such as the Russia/Ukraine war, the resurgence of COVID-19 cases due to the Omicron variant and increasing commodity prices will put a dent on economic recovery.

Q&A FROM SHAREHOLDERS - 19

Operational matters

As commodity prices continue to rise, is Carlsberg considering raising the average selling price to pass the cost on to customers?

Edwin Teoh / WF Gan

Do company plan to increase the price of product with the increasing in raw material and supply chain problem?

TH Lee

How does rising cost on raw material affecting Carlsberg as a whole and how Carlsberg mitigate this as the Russia-Ukraine conflict may prolong longer than expected ?

CH Soo / SY Chua

Cost of operation are increasing, what steps has the company taken or will be implement to ensure the growth of the company ?

KK Ling

Answer: Refer to answers on the slides – Q&A from MSWG No. 2 & No. 3. (Click [here](#))

Q&A FROM SHAREHOLDERS - 20

AGM

Kindly allow hybrid meeting in the future AGM for shareholder to meet with the management.

TH Lee, YC EE

Answer: We will certainly consider having a hybrid or physical meeting in the future, should the situation allow. We thank our shareholders for your loyalty and shared vision for business sustainability and we look forward to a future date where we can host the shareholder meetings in person.

Q&A FROM SHAREHOLDERS - 21

DE&I

Reading Carlsberg's Annual Report it only shows photos of certain levels of staff. I don't see photos of ordinary Carlsberg staff like factory workers, drivers, clerks etc, in any photos. Carlsberg should have a look at United Plantation Bhd's Annual Report where even the photos of their estate workers and families are featured.

BENEDICT LOPEZ

Answer: At Carlsberg Malaysia, we value each and every one of our employees. We are committed to cultivate a diversified workforce, emphasise equality and lead with inclusive mindset, as guided by our diversity, equity and inclusion (DE&I) Policy.

In our 2021 Integrated Annual Report, we featured pictures of employees from all gender, race and functions. You can find our employees' photos on pg 35 (in MD's message), supply chain colleagues featured on pg 54 (in Zero Accidents Culture portion), and page 59 (on employees' vaccination programme) and on page 60 (in People section).

Q&A FROM SHAREHOLDERS - 22

CSR + Employee remuneration

Pls advise as to the quantum the grp had spent on it's CSR programme, ie separately for Chines, Tamil and other schools for the concluded FY. Were the employees awarded with increment, bonuses etc for the successful and challenging past FY, and if so the quantum separately in bonus, incentives, increments etc

Uma Maniam A/L Muthusamy

Answer: Our Safer Schools campaign in Malaysia, which was launched in 2020, have been running for 2 consecutive years. Through this campaign, we have sponsored over RM3 million worth of facial recognition infrared thermometers and full disinfection services for national primary schools, Tamil, Chinese and Kebangsaan schools.

In 2021 alone, RM1.6 mil was spent; for 264 Chinese schools, 35 Tamil schools, and 1 Kebangsaan school.

Despite the uncertainties over the last two years, our focus remains on our employees' Physical and Mental wellbeing. There were no salary cut for full time employees. For FY2021, increment & bonus were given to the employees for successfully achieving our target despite the extremely difficult year. However, we are unable to disclose the quantum due to the sensitivity of the information

Q&A FROM SHAREHOLDERS - 23

Capital Management

- a) Given good retained earnings balances, positive cash flows, almost zero loan liabilities, can bonus shares be granted.
- b) Pls look at share splits for liquidity trading in BURSA by its shareholder
- c) ESOS should be introduced as measure to reward, retain and recognise staffs.

Uma Maniam A/L Muthusamy

Answer: We are honoured by your support and trust as shareholder in us.

We have no plans at the moment for a share split or bonus share programme to be part of our capital management strategy.

We do not have plan for ESOS, but have in place remuneration program to attract & retain staff

Q&A FROM SHAREHOLDERS - 24

Sales Performance

How much do foreign tourists contribute to Carlsberg's sales before the pandemic?

LF Lee

Answer: Unfortunately, we do not track contribution to sales performance from foreign tourists. Of course, foreign tourists contribute to mainly the on-trade. However, the lack of footfall in the on-trade marketplace is due to the restrictions and lockdown implemented in the country.

Q&A FROM SHAREHOLDERS - 25

Auditor

Carlsberg got good reputation, no need engage expensive Auditor so as to save cost for reward the Shareholder.

AC Chea

Answer: Thank you for your trust in us. As a public listed company, we are committed to ensure good governance including financial governance, which include appointing qualified auditor to give assurance to the Board, shareholders, and management that our financial results reflect a true and fair view in accordance with applicable accounting standards. Our audit fee has remained flat versus last year.

Q&A FROM SHAREHOLDERS - 26

Whistleblower Policy

Does our company have any Whistleblower Policy? Any whistleblower reports any wrongdoings in Year 2021? Any legal action taken against those wrongdoers?

KP Ong

Answer: The Group has a robust and comprehensive whistleblowing policy and framework to provide an avenue to employees, customers, suppliers, business partners and any individual to report any wrongdoing in our business ecosystem, which can be found on our website at (<https://carlsbergmalaysia.com.my/who-we-are/corporate-governance/whistleblower-system/>) Individuals and entities who report in good faith are protected under this policy without the risk of retaliation.

Details on our Whistleblower system are made available on page 67 in 2021 integrated annual report.

Reports lodged in 2021 were managed through proper channels and process, of which some were channeled to our headquarters in Copenhagen. Due to sensitivity and confidentiality, we are unable to disclose the cases reported.

Q&A FROM SHAREHOLDERS - 27

AGM

Will Carlsberg allow playback for this live AGM? This is an advantage for those shareholders who can not attend the AGM to watch the video after this AGM. Shareholders may have to attend other public listed companies AGM at the same date and time. All shareholders have the right to know what information provided by BOD during the AGM.

PK Ong

Answer: We do not facilitate playback of the whole virtual AGM. Similar to physical AGM, there was no recording of AGM for post-AGM viewing. However, rest assured that the MD's presentation, minutes of the AGM and MSWG & shareholders' Q&A will be published on our corporate website post AGM.

Q&A FROM SHAREHOLDERS - 28

Share price

The company's stock price has fallen sharply compared to before the epidemic. Will the board of directors consider a share repurchase plan?

When I look at the Carlsberg Brewery Malaysia Berhad historical share price and trading chart pattern, I dare to make a bold assumption that possible certain speculators and syndicates (if any) trying to depress our company's share price and drive the share prices away from fundamental values and destabilise markets, those speculators possibly taking advantage from their act and causing losses to shareholders of the company. Is the duty and responsibility of the Board of Directors to exercise reasonable care, skill and diligence to prevent syndicates to depress our company's share price and drive the share prices away from fundamental values, what will the company do to stabilise our company share price at this juncture? In BOD's opinion our current share price is at fair value?

PK Ong

With its current high price, will Carlsberg management review its decision to split the Company shares to enhance availability to investors

KW Wan

Answer: We do not comment on share price movement as it is purely driven by market demand.

We are honoured by the support and trust which our shareholders, investors and business partners continue to have in us.

We have no plans at the moment for a share buyback, bonus share programme or any similar exercises to be part of our capital management strategy.

Q&A FROM SHAREHOLDERS - 29

Auditor

Whats the period to date served by PwC at Carlsberg?

Does the Company have a policy with regards to rotation or replacement of auditors and if so what's the time frame

Uma Maniam A/L Muthusamy

Answer: PwC has served as Carlsberg Malaysia's auditor since year FY2017. Under the Malaysian Institute of Accountants (MIA) guidelines, an audit partner of a public listed company is to serve in the same role for a maximum of 7 years.

Q&A FROM SHAREHOLDERS - 30

Increase in minimum wage

Any impact on min wage of RM1500 introduced by government recently?

WF Gan

Answer: The increase in minimum wages to RM1,500 does not have a direct impact to the Company. In terms of labour shortage, all our direct employment is 100% Malaysian (with exception of a few expatriates).

Q&A FROM SHAREHOLDERS - 31

Remuneration

Why the remuneration of the senior key management staffs is not disclosed in the report? It was there for the past years.

KW Hong

Answer: We do not disclose the details of the senior management's remuneration due to confidentiality and sensitivity of each remuneration package. Only the MD's remuneration is disclosed in detail at page 96 of the Integrated Annual Report.

Q&A FROM SHAREHOLDERS - 32

Directors

We seem to have many directors with some serving only a very short period. Can this be looked into, so that the revolving BOD doors can be minimised for stability?

Uma Maniam A/L Muthusamy

Answer: The 3 new directors who joined the Board since the last AGM were appointed to replace existing directors who either relocated or retired. Mr. Leo Evers was appointed to succeed Mr Graham Fewkes who relocated to Carlsberg Group in Copenhagen in July 2021. Mr Gavin Brockett was newly appointed to succeed Mr Roland Lawrence who retired from the Carlsberg Group, while Datuk Christine was appointed as Ms Michelle Achuthan's replacement in February 2022. The rest of the board members have served the board for more than 1 year.

Q&A FROM SHAREHOLDERS - 33

DE&I

Diversity and Inclusivity practices in the grp: Thanks for the disclosures of Pg 85 - where the ethnicity of directors are displayed but that seems more of how the nationalities are represented in the BOD. Can the same breakdown on ethnicity be disclosed for employees. Carlsberg should reflect the ethnic representation in its employment if it truly believes itself in being a MALAYSIAN company. This will assist greatly in defending its licence. The pg 61 only discloses gender breakdown - thanks

Uma Maniam A/L Muthusamy

Answer: We are committed to diversity and inclusivity as reflected in our DE&I policy which is anchored on 4 pillars, namely diverse representation, equal opportunities, business priority and also an inclusive culture. Having said that, our ratio of Chinese versus non-Chinese employees is 69% versus 31%.

Q&A FROM SHAREHOLDERS - 34

Tax Revenue Payment

Pls list out the quantum paid to govt of Malaysia in the FY2021 under the top 5 categories of operational expenses, ie Customs duty, levy, excise duty, other related charges etc

Uma Maniam A/L Muthusamy

Answer: As per disclosed in our Integrated Annual Report 2021, the total tax contribution of the Group were as follows :-

Excise duties : RM843.5 million
Corporate taxes : RM63.3 million
Indirect taxes (SST/GST) : RM79.2 million
Total : RM986 million

In Malaysia alone, the total quantum paid to the government of Malaysia in FY2021 was RM692 million.

Q&A FROM SHAREHOLDERS – 35

Performance

How was. Company profit again. From. Recovery.. During pandemic was non operate about 6months to 12months.. The losses. Able. Cover back?

LS Kow

Any foreign investor add on from now or upcoming?

Answer: In 2021, despite the longer lockdown period (2.5 months of brewery suspension), the Group has registered +24% net profit growth despite a slight decline in revenue. With the reopening of all economic sectors and Malaysia's borders for travel and tourism, we are hopeful that these developments will augur well for our business.

We are not able to comment on future investor shareholding.

Q&A FROM SHAREHOLDERS - 36

Business strategy

Are there strategic plans to expand to neighbours such as Thailand and Vietnam via JV or shareholding restructuring? Or alternatively are there plans to be local focused in Malaysia as it appears that a competitor has better market share and better financial performance.

SY Chua

Answer: Carlsberg beer is available in Thailand (via Carlsberg Malaysia export sales to third party) and Vietnam (via Carlsberg Vietnam) today. There are no plans for our Malaysian business to venture into the mentioned markets.

Q&A FROM SHAREHOLDERS - 37

Operational matters

Would it be an opportunity for the Grp to relocate the current Shah Alam plant to a totally industrial areas instead of the current one due to possibility of increase in plant size for future expansion or capacity. Instead have 2 plants, one in the northern area to split any risks of loactions or geopolitical risks that could arise

Uma Maniam A/L Muthusamy

Answer: We do not have any plan to relocate the brewery at the moment.

Q&A FROM SHAREHOLDERS - 38

Operational matters

Any direct impact toward our company on Ukraine-Russia conflict?

KP Ong

Answer: Refer to answer on the slides – Q&A from MSWG No. 3. (Click [here](#))

Q&A FROM SHAREHOLDERS - 39

Operational matters

Any special tailor made campaign to attract drinker from targeted group such as Singapore tourists in Johor?

CM Lee

Answer: There are no campaigns directly targeted to a specific target group. All campaigns are for everybody.

Q&A FROM SHAREHOLDERS - 40

Operational matters

Company needs to improve its requirement for the dealers to buy back consumed and empty beer bottles. Many coffee shops refuse to buy back bottles.

Many empty bottles are easily seen left lying in the parks - after consumption - and these poses dangerous risk to young ones and park users. Many bottles can be found in the public drain and trash bins.

Uma Maniam A/L Muthusamy

Answer: We have a system (bottles and crates) in place for all of our returnable bottles. However, we do not take back bottles such as Somersby, 1664 Blanc, Brooklyn.

Q&A FROM SHAREHOLDERS - 41

CapEX

Is the Capex plan for FY22/23 to be revisited and revised given the potential global recession (as echoed by financial institutions, US Treasury, Bank of England) and current stagflation?

SY Chua

If Carlsberg intends to expand product operation in Malaysia and set up as Asia Hub?

CM Lee

Answer: CapEX review and planning is an annual exercise to cater for our business needs and market demand. There is no plan to expand product operation and set up an Asia Hub in Malaysia.

Q&A FROM SHAREHOLDERS - 42

Financial matters

What is the likely impact on the Group's gross margins from the rise of commodity prices?

Veiven Goon

Answer: Refer to answer on the slide Q&A from MSWG 3.a. (Click [here](#))

Q&A FROM SHAREHOLDERS - 43

Prosperity Tax

How much was the "cukai makmur", did our company Carlsberg paid to the Govt so far since it was announced in 2021 budget?

Was our donations to schools in kind ie "sanitizing programs and scanning thermometer devices" part of or are included in the "cukai makmur"?

JT Lim

Answer: Refer to response on the slide Q&A from shareholders – 2. (Click [here](#))

The donations via Safer Schools are not part of the prosperity tax (cukai Makmur).

Q&A FROM SHAREHOLDERS - 44

Prosperity Tax

In respect to answer by the director on cukai makmur qn raised, the higher CA on new plant should have some reduction effect on the tax payable, shouldn't it?

And if so, whats the quantum for the coming year

Uma Maniam A/L Muthusamy

Answer: We expect the Cukai Makmur to impact our subsidiary, Carlsberg Marketing Sdn Bhd. The investment in the bottling line is incurred in Carlsberg Brewery Malaysia Berhad (CBMB). We expect that any unabsorbed capital allowances from this capex to be carried forward to offset against future adjusted business income in CBMB.

Q&A FROM SHAREHOLDERS - 45

New Products

Moving forward will Carlsberg have "local" beer like other countries/places have and will Carlsberg venture into other segment alcohol like whiskey or soju that normally drink together with beers?

CK Chun

Answer: Whilst our strategy is to deliver growth through innovation and premiumisation, we are also on the look out for other category expansion. We are, however, unable to unveil any of our plans at this specific juncture.

Q&A FROM SHAREHOLDERS - 46

AGM

When can the company allow shareholders to speak virtually for better expression of shareholder ideas, questions and counter replies and questions? According to Section 71(1) of the Companies Act 2016 as a shareholder I have the right to attend, participate and speak in a meetings, but the board of directors of the company define speaking as submission of questions by typing, as a citizen and a company of Malaysia, we should always obey the law approved by Parliament of Malaysia.

KP Ong

Answer: We regret to inform that we are unable to allow for shareholders to communicate “live” with the Board during a virtual AGM due to the limitation in the RPV facilities. All questions submitted by shareholders during the virtual AGM will be posted on our Company’s website post AGM.

THANK

YOU

