

Annual report

[Business](#)



**ASSIGN
BUSTER**

ANNUAL REPORT 2011 was the year in which Carlsberg Malaysia moved boldly forward. With the successful execution of the new global positioning and bold new packaging, we reinforced the leading position of our flagship brand, Carlsberg Green Label, and strengthened our extensive premium beer range to emerge as a stronger multi-brand portfolio company. Through enhancing operational efficiencies and advancing people empowerment efforts, we made great strides forward on the operational front and delivered profitable, sustainable growth. moving boldly..

forward We strive to become the preferred partner of our customers and the preferred choice of our consumers by offering a dynamic portfolio of beverage brands

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Carlsberg Malaysia Group of Companies 2011 Achievements

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2 Carlsberg Brewery Malaysia Berhad (9210-K)

Carlsberg Malaysia Group* Manufacturing of beer, stout and other malt related beverages: Sales and distribution of beer, stout, wines, spirits and other beverage products are done via the following subsidiaries:

Singapore Carlsberg Singapore Pte Ltd Shareholding: 100% KEY BRANDS: Carlsberg Green Label, CARLSBERG BREWERY MALAYSIA BERHAD KEY BRANDS MANUFACTURED (INCLUDING LICENSED PRODUCTS): Carlsberg Green Label, Carlsberg Gold, Carlsberg Special Brew, Danish Royal Stout, SKOL, SKOL Super, Connor's Stout, Asahi Super Dry, Jolly Shandy, Nutrimalt. Malaysia • Carlsberg Marketing Sdn Bhd Shareholding: 100% KEY BRANDS: Carlsberg Green Label, Carlsberg Gold, Danish Royal Stout, Kronenbourg 1664, Kronenbourg Blanc, SKOL, Corona Extra. Presence in Sri Lanka market via the following associated company:

Carlsberg Gold, Carlsberg Special Brew, Danish Royal Stout, SKOL, SKOL Super, Connor's Stout, Kronenbourg 1664, Kronenbourg Blanc, Corona Extra, Asahi Super Dry, Jolly Shandy, Nutrimalt. Sri Lanka Lion Brewery (Ceylon) PLC Shareholding: 24. 6% KEY BRANDS MANUFACTURED, SOLD AND DISTRIBUTED: Carlsberg Green • Luen Heng F & B Sdn Bhd Shareholding: 70% KEY BRANDS: Hoegaarden, Stella Artois, Budweiser, Foster's, Erdinger, Leffe, Beck's, Savanna, and numerous other wine and spirit brands.

Label, Lion Lager, Lion Stout, Carlsberg Special Brew, Lion Strong Beer. *

Carlsberg Malaysia" or " The Group" Annual Report 2011 3 2011

Achievements First ever Carlsberg Group Cash Race Prize for Asia For the very first time for an Asian market, Carlsberg Malaysia won the Carlsberg Group's Cash Race Prize. The prize was a result of the significant improvements delivered by Carlsberg Malaysia following a renewed focus on capital management in the Asian region. Carlsberg Group Award for Community Engagement Carlsberg Malaysia was named winner of the

Carlsberg Group's 'We are Engaged with Society' Award at the CEO Conference in Kiev, Ukraine in June 2011.

Carlsberg Malaysia won this award for impacting hundreds of schools, institutions and communities through its education fundraising platforms.

Asia Responsible Entrepreneurship Awards (AREA) 2011 Counted among the top three exemplary companies in Asia, Carlsberg Malaysia received the Asia Responsible Entrepreneurship Awards (AREA) 2011 in the category of Social Empowerment. Second Gold at the Putra Brand Awards 2011 Carlsberg for the second consecutive year won Gold at the Putra Brand Awards – Alcoholic Beverage category.

Organised in association with the Malaysia's Most Valuable Brands, the Putra Brand Awards is a brand valuation exercise that recognises brands that are near and dear to the hearts of Malaysians. Thirteenth Gold Award at the Reader's Digest Trusted Brand Awards 2011 The Carlsberg brand was voted the Gold winner at the Reader's Digest Trusted Brand Awards for the 13th consecutive year. Recognised as one of the most representative and objective branding surveys in the region, the Reader's Digest survey was carried out in eight markets across South East Asia. Carlsberg came up as the preferred brew.

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Carlsberg Brewery Malaysia Berhad (9210-K) Annual Report 2011 5
Chairman's Address The Group turned in a profit after tax of RM167.4 million, a 24.8% growth in comparison to profit after tax of RM134.1 million in 2010. Dear Shareholders, Carlsberg Malaysia delivered another year of
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strong growth on the back of commendable financial and operational performance in 2011. In line with our annual report theme “Moving Boldly Forward”, the entire organisation worked diligently to reinforce the leading position of our jewel in the crown, Carlsberg Green Label, whilst strengthening our extensive premium beer range.

Today, having emerged as a multi-brand portfolio company focused on delivering sustainable revenue and earnings growth, Carlsberg Malaysia is a much stronger contender in the Malt Liquor Market. On behalf of the Board of Directors, it is my pleasure and privilege to present the Annual Report and Audited Financial Statements of Carlsberg Brewery Malaysia Berhad for the financial year ended 31 December 2011.

A Weaker Operating Environment

The year 2011 saw the global economy registering a relatively weaker performance as compared to the preceding year.

The slower growth was attributable to unprecedented political turmoil in the Middle East and North Africa, a series of massive natural disasters around the globe, and the crises that hit the advanced economies. On the Malaysian front, domestic demand remained resilient in 2011, with private consumption remaining robust, underpinned by a healthy labour market and firm commodity prices.

The Government’s fiscal and monetary policies remained accommodative and supported growth during the year. Malaysia registered lower GDP growth of 5.1% in 2011 as compared to GDP growth of 7.2% registered the year before.

Robust Financial Performance

Against this backdrop, the Carlsberg Malaysia Group continued to grow in line with the market to take a healthy market share in the premium segment.

In 2011, Carlsberg Malaysia generated revenue amounting to RM1.5 billion, an 8.9% increase over the preceding year's RM1.4 billion. The Group turned in a profit after tax of RM167.

4 million, a 24.8% growth in comparison to profit after tax of RM134.1 million in 2010. Our strong performance came on the back of the successful roll out of 2011's global Carlsberg brand packaging revamp and innovative consumer promotions under a new global brand tagline, "That Calls for a Carlsberg". Carlsberg Brewery Malaysia Berhad (9210-K) Chairman's Address Our subsidiary Carlsberg Singapore Pte Ltd (CSPL) and associate company, Lion Brewery Ceylon PLC, too delivered double digit growth in revenue and earnings for 2011.

The Group also made strong inroads into the premium beer segment by leveraging the strengths of subsidiary Luen Heng F & B Sdn Bhd (LHFB) and its impressive super premium beer range. Additionally, cost efficiencies were optimised with strong operational synergies between our Malaysian and Singaporean businesses. Raising the Bar on Performance During 2011, we took many initiatives to improve performance.

On the consumer and customer fronts, our teams worked hard to reinforce and promote the Carlsberg brand via exclusive and engaging brand experiences. Carlsberg's position as Malaysia's leading beer brand was reaffirmed when it was selected for the coveted Gold Award at the 2011 Putra

Awards. We were also accorded the Most Trusted Brand by Reader's Digest readers in Malaysia and Asia for the 13th consecutive year, the only brand in the beer category to receive this.

To reaffirm our position at the forefront of product innovation, we focused our efforts on driving our beer brands.

We brought new drinking experiences to our consumers and pursued beverage opportunities that reinforced our core competencies and infrastructure. We continued to tap LHFB's impressive super premium beer portfolio comprising the No. 1 imported beer, Hoegaarden, as well as the fast growing Asahi, Erdinger and Budweiser brands. We also went on to invest in the Carlsberg Group-owned premium brands Kronenbourg 1664 and Kronenbourg Blanc, while acquiring the rights to locally manufacture, sell and distribute Asahi Super Dry, the No.

1 beer from Japan.

The growth of all these brands did much to bolster our position in the super premium beer segment. We also revitalised the SKOL Brand and re-energised the Danish Royal Stout brand so as to cater for different consumer segments and needs. Shareholder Value Creation In line with our commitment to delivering value to our shareholders and after considering the Group's funding requirements, the Board of Directors is pleased to propose the distribution of 100% of the Group's 2011 profits. The Board of Directors is recommending a final and special dividend of 65.5 sen per ordinary share of RM0.

0 less Malaysian income tax and a special tax exempt dividend of 2.0 sen per ordinary share of RM0.50. Together with the interim gross dividend of 5.0 sen per ordinary share of RM0.

50, the total gross dividend for the financial year 2011 is 72.5 sen per ordinary share of RM0.50 (2010: total gross dividend of 58.0 sen per ordinary share of RM0.50).

The final and special dividends and tax exempt dividend will be tabled for shareholders' approval at the coming annual general meeting on 26 April 2012. The Group continues to prioritise efficiency improvements and people development efforts.

In 2011, we continued to optimise our cost structure and asset base by leveraging both global and local initiatives as well as the strong operational synergies between our Malaysian and Singapore businesses. The establishment of a Continuous Improvement (CI)-LEAN Programme empowered shop floor employees to improve the way things were done and deliver respectable efficiency improvements and cost savings. On the people front, we set out to inculcate a performance culture and leadership culture based on trust, ownership and diversity.

All these efforts led to renewed employee confidence in Carlsberg Malaysia as a company. Responsible Corporate Practices Carlsberg Malaysia remains committed to growing profitably in a responsible manner. To this end we have integrated responsible corporate practices into our total business operations and value chain to drive profitable, sustainable growth. I am pleased to announce that Carlsberg Malaysia has developed a new format

Corporate Social Responsibility (CSR) Report which provides insights into the tangible outcomes we are delivering in the areas of the Marketplace, Community, Workplace and Environment.

Our stand alone CSR Report underscores Carlsberg Malaysia's commitment to good CSR practices as well as reflects how deeply ingrained these elements are within our people and businesses.

Annual Report 2011 7 Our strong performance came on the back of the successful roll out of 2011's global Carlsberg brand packaging revamp and innovative consumer promotions under a new global brand tagline, "That Calls for a Carlsberg". We are committed to elevating the wellbeing of communities under our guiding principle "Sharing with the Community Unconditionally. 2011 saw us continuing to roll out our flagship charity campaign "Top Ten" which entered its 25th year in 2011. One of the most established and transparent fund raising platforms for Chinese education, Top Ten successfully raised RM20 million in 2011. All in all, this popular initiative has raised more than RM369 million for 588 Chinese schools and institutions nationwide to date. In 2011, we also set out to strengthen our ties to Tamil education by introducing the English Essentials and Back to School projects for students from Tamil schools in Peninsular and East Malaysia.

For our efforts, Carlsberg Malaysia won an award in the Social Empowerment category of the Asia Responsible Entrepreneurship Awards (AREA) 2011. We were also accorded the Carlsberg Group's "We are Engaged with Society" Winning Behaviours Award 2010. Going forward, we remain committed to

supporting the Government's Economic Transformation Programme (ETP) and Malaysia's ambition of becoming a developed and high income nation by 2020. We will align our objectives to support the ETP and other economic priorities particularly through focusing our efforts in the tourism, distributive trade and expatriate sectors.

We are already indirectly supporting the Government's tourism efforts through our support of major sports, food and fashion events.

As we move boldly but cautiously forward into yet another challenging year, the Board of Carlsberg Malaysia remains committed to delivering profitable, sustainable growth. Profitability will be driven by Malaysia's leading beer brand, Carlsberg Green Label, and supported by a strong premium brand portfolio. We have set our sights on becoming the country's most vibrant portfolio company in the near future and will undertake aggressive but prudent strategies to get us there quickly.

Operationally, we will continue to optimise cost efficiencies and capacity utilisation in the brewery as well as leverage continuous improvement initiatives to deliver robust operational performance. On the people front, we will continue to invest in this key asset by inculcating a strong performance culture. All these, among other measures, will ensure that Carlsberg Malaysia continues to make strong progress.

In Appreciation On behalf of Carlsberg Malaysia's Board of Directors, I wish to express my utmost gratitude to our management team and staff for their unyielding loyalty, hard work and commitment to excellence.

The successes of 2011 came on the back of their relentless focus and efforts. Our heartfelt appreciation goes to all our other stakeholders, including our distributors, suppliers, customers and consumers. Thank you for your unwavering support of the Group all these years. It is with great sadness that I take this opportunity to record the tremendous contribution to the Group over many years by our late Deputy Managing Director, Dato' Chin Voon Loong who passed away on 16 March 2012.

I would also like to express my sincere appreciation to my colleagues on the Board for their wise counsel and guidance. Last but not least, my deep gratitude to our shareholders for your continued support and steadfast confidence in Carlsberg Malaysia. We look forward to pursuing new heights of excellence and creating strong shareholder value as we stride confidently forward into 2012. Thank you. Moving Boldly Forward The economic environment is expected to remain challenging in 2012 and this is expected to affect Malaysia particularly in terms of exports.

However, the country is expected to be supported by resilient domestic demand, supported primarily by the continued expansion of private sector activity.

Public sector expenditure too is expected to lend strong support to Malaysia's overall growth performance. Given this outlook, the Carlsberg Malaysia Group welcomes the Malaysian Government's prudent stand to not further increase excise duties for beer and stout in 2012 as Malaysia's duties are already the second highest in the world. Dato' Lim Say Chong Chairman Shah Alam 4 April 2012 Carlsberg Brewery Malaysia Berhad (9210-K) Ucapan Pengerusi Para pemegang saham yang dihormati, Carlsberg Malaysia telah

menyampaikan satu lagi tahun pertumbuhan yang kukuh berlandaskan prestasi kewangan dan operasi yang baik dalam 2011. Selaras dengan tema laporan tahunan kami “ Melangkah ke Hadapan dengan Penuh Keyakinan” (“ Moving Boldly Forward”), seluruh organisasi telah bejerka dengan gigih bagi mengukuhkan kedudukan jenama terulung kami, Carlsberg Green Label, sementara memperkukuhkan rangkaian bir premium meluas kami.

Hari ini, setelah muncul sebagai sebuah syarikat portfolio pelbagai jenama yang menumpu pada penyampaian pertumbuhan pendapatan dan perolehan yang mampan, Carlsberg Malaysia kini adalah pencabar yang lebih mantap dalam Pasaran Arak Malt. Bagi Pihak Lembaga Pengarah, saya berbesar hati dan dengan hormatnya membentangkan Laporan Tahunan dan Penyata Kewangan Beraudit Carlsberg Brewery Malaysia Berhad untuk tahun kewangan berakhir 31 Disember 2011.

Prestasi Kewangan yang Teguh Dengan latar belakang ini, Kumpulan Carlsberg Malaysia terus berkembang selaras dengan pasaran untuk meraih agihan pasaran yang agak baik dalam segmen premium.

Pada 2011, Carlsberg Malaysia telah mencatat pendapatan berjumlah RM1. 5 bilion, satu peningkatan sebanyak 8. 9% berbanding RM1. 4 bilion pada tahun sebelumnya. Kumpulan telah merekodkan keuntungan selepas cukai berjumlah RM167.

4 juta, satu peningkatan sebanyak 24. 8% berbanding keuntungan selepas cukai sebanyak RM134. 1 juta dalam 2010. Prestasi mantap kami dicapai melalui pelaksanaan yang berjaya pengubahsuaian pembungkusan jenama Carlsberg global pada tahun 2011 serta promosi pengguna yang inovatif di

bawah slogan jenama global baru, “ That Calls for a Carlsberg. Syarikat subsidiari kami Carlsberg Singapore Pte Ltd (CSPL) dan syarikat bersekutu, Lion Brewery Ceylon PLC, juga menyampaikan pertumbuhan angka berganda dalam pendapatan dan perolehan untuk 2011. Kumpulan juga telah mengorak langkah yang mantap ke dalam segmen bir premium dengan memanfaatkan keteguhan subsidiari Luen Heng F & B Sdn Bhd (LHFB) dan rangkaian bir premiumnya yang amat mengagumkan.

Tambahan lagi, keberkesanan kos telah dioptimumkan melalui sinergi operasi yang kukuh di antara perniagaan kami di Malaysia dan Singapura.

Meningkatkan Tahap Prestasi

Kami telah mengambil pelbagai inisiatif untuk meningkatkan prestasi dalam tahun 2011. Dari segi pengguna dan pelanggan, pasukan kami telah berusaha dengan gigih untuk memperkukuh dan mempromosikan jenama Carlsberg melalui pengalaman jenama yang eksklusif dan menawan. Kedudukan Carlsberg sebagai peneraju jenama bir di Malaysia telah disahkan semula apabila ia dipilih untuk menerima Anugerah Emas terkemuka di Anugerah Putera 2011. Kami juga telah menerima anugerah Jenama Paling Dipercayai oleh para pembaca Reader’s Digest di Malaysia dan Asia untuk 13 tahun berturut-turut, satusatunya jenama dalam kategori bir untuk mendapat penganugerahan ini.

Bagi mengesahkan lagi kedudukan kami sebagai peneraju dalam inovasi produk, kami menumpukan usaha kami terhadap pemacuan jenama bir kami. Kami memperkenalkan pengalaman meminum yang baru kepada pengguna kami dan mengejar peluang minuman yang memperkukuhkan

kecekapan teras dan infrastruktur kami. Kami juga terus mempergunakan portfolio bir amat premium LHFB yang mengagumkan yang termasuk bir diimport Nombor 1, Hoegaarden, serta jenama-jenama yang pesat tumbuh seperti Asahi, Erdinger dan Budweiser.

Kami juga melabur dalam jenama premium yang dimiliki Kumpulan Carlsberg, iaitu Kronenbourg 1664 dan Kronenbourg Blanc, sementara memperoleh hak mengeluarkan secara tempatan, menjual dan mengedar bir Nombor 1 dari Negara Jepun, Asahi Super Dry. Pertumbuhan kesemua jenama ini telah menyumbang dengan ketaranya dalam meningkatkan kedudukan kami dalam segmen bir amat premium. Kami juga telah mengaktifkan semula Jenama SKOL dan menggiatkan lagi jenama Danish Royal Stout bagi memenuhi segmen dan keperluan pengguna yang berlainan.

Kumpulan terus mengutamakan usahausaha peningkatan kecekapan dan pembangunan tenaga insan. Pada 2011, kami terus mengoptimumkan struktur kos dan dasar aset kami dengan mengumpul dari kedua-dua inisiatif global dan tempatan serta sinergi operasi yang kukuh di antara perniagaan kami di Malaysia dan Singapura. Penubuhan Program Peningkatan Berterusan (CI)-LEAN (Continuous Improvement (CI)-LEAN Programme) memberi kuasa kepada pekerja di kilang untuk menambahbaikkan cara bekerja dan menyampaikan peningkatan kecekapan serta penjimatan kos yang

Persekitaran Operasi yang Lebih Lembap Ekonomi global telah mencatatkan prestasi yang lebih lembap pada tahun 2011 berbanding dengan tahun sebelumnya. Pertumbuhan yang lebih lembap berpunca daripada kekacauan

politik di Timur Tengah dan Afrika Utara yang belum pernah berlaku sebelum ini, pelbagai bencana alam besar-besaran di seluruh dunia dan krisis yang melanda beberapa ekonomi maju. Di Malaysia, permintaan domestik kekal bertahan dalam 2011, dengan penggunaan swasta yang tetap teguh, disandari oleh pasaran tenaga kerja yang mantap dan harga komoditi yang kukuh.

Polisi ? skal dan kewangan Kerajaan kekal melengkapi dan menyokong pertumbuhan sepanjang tahun.

Malaysia mencatat pertumbuhan Keluaran Dalam Negara Kasar (KDNK) yang lebih rendah sebanyak 5. 1% pada 2011 berbanding dengan pertumbuhan KDNK sebanyak 7. 2% yang dicatat pada tahun sebelumnya. Perwujudan Nilai untuk Pemegang Saham Selaras dengan komitmen kami untuk memberi nilai kepada para pemegang saham kami dan selepas mempertimbangkan keperluan pendanaan Kumpulan, Lembaga Pengarah dengan sukacita ingin mencadangkan pengagihan 100% keuntungan 2011 Kumpulan.

Lembaga Pengarah mengesyorkan dividen akhir dan khas bernilai 65. 5 sen setiap saham biasa berharga RM0.

50 ditolak cukai pendapatan Malaysia dan dividen pengecualian cukai khas bernilai 2. 0 sen setiap saham biasa berharga RM0. 50. Bersama dengan dividen kasar interim bernilai 5. 0 sen setiap saham biasa berharga RM0.

50, jumlah dividen kasar untuk tahun kewangan 2011 ialah 72. 5 sen setiap saham biasa berharga RM0. 50 (2010: jumlah dividen kasar bernilai 58. 0 sen setiap saham biasa berharga RM0. 50 sesaham).

Dividen akhir dan khas dan dividen pengecualian cukai akan dibentangkan untuk kelulusan pemegang saham di mesyuarat agung tahunan akan datang pada 26 April 2012. Annual Report 2011 9 berkesan. Dari segi tenaga insan, kami telah memperkenalkan satu budaya prestasi dan budaya kepimpinan berdasarkan kepercayaan, pemilikan dan kepelbagaian. Kesemua usaha ini telah membawa kepada penambahan keyakinan kakitangan dalam Carlsberg Malaysia sebagai sebuah syarikat. Melangkah ke Hadapan dengan Penuh Keyakinan Persekitaran ekonomi dijangka akan kekal mencabar pada 2012 dan ini dijangka akan memberi kesan kepada Malaysia terutamanya dari segi eksport.

Walau bagaimanapun, negara dijangka akan disokong oleh permintaan domestik yang bertahan, disokong terutamanya oleh aktiviti sektor swasta yang terus berkembang. Perbelanjaan sektor awam dijangka juga akan memberi sokongan kukuh terhadap pertumbuhan prestasi Malaysia secara keseluruhan. Memandangkan tinjauan ini, Kumpulan Carlsberg Malaysia mengalu-alukan langkah hemat Kerajaan Malaysia untuk tidak menaikkan lagi duti eksais bir dan stout pada 2012 memandangkan duti Malaysia kini adalah yang kedua tertinggi di seluruh dunia.

Memandang ke hadapan, kami kekal komited untuk menyokong Program Transformasi Ekonomi (Economic Transformation Programme atau ETP) Kerajaan serta cita-cita Malaysia untuk menjadi sebuah negara maju dan berpendapatan tinggi menjelang 2020. Kami akan menjajarkan objektif kami untuk menyokong ETP dan keutamaan ekonomi lain terutamanya dengan menumpukan usaha kami dalam sektor-sektor pelancongan, perdagangan pengagihan dan ekspatriat.

Kami secara tidak langsung telah menyokong usaha Kerajaan dalam sektor pelancongan melalui sokongan kami dalam acara-acara sukan, makanan dan fesyen utama.

Dalam usaha kami untuk mengambil langkah yang yakin tetapi berhati-hati ke dalam satu lagi tahun yang mencabar, Lembaga Carlsberg Malaysia kekal komited untuk menyampaikan pertumbuhan yang menguntungkan dan bertahan. Keberuntungan akan didorong oleh jenama peneraju bir utama Malaysia, Carlsberg Green Label, dan disokong oleh satu portfolio jenama premium yang teguh. Kami berhasrat untuk menjadi syarikat portfolio paling cergas di Malaysia pada masa hadapan terdekat dan akan melaksanakan strategi yang agresif tetapi berhemat untuk mencapai matlamat ini dalam masa yang singkat. Amalan Korporat yang Berprihatin

Carlsberg Malaysia kekal komited untuk meningkatkan keuntungan dengan cara yang bertanggungjawab. Untuk mencapai matlamat ini, kami telah menyepadukan amalan korporat yang berprihatin ke dalam keseluruhan operasi perniagaan dan rangkaian nilai kami untuk mendorong pertumbuhan keuntungan yang bertahan.

Saya sukacita untuk memaklumkan bahawa Carlsberg Malaysia telah membangunkan satu format baru untuk Laporan Tanggungjawab Sosial Korporat (Corporate Social Responsibility atau CSR) yang memberi gambaran ke dalam hasil ketara yang kami akan sampaikan dalam bidang Pasaran, Komuniti, Tempat Kerja dan Alam Sekitar.

Laporan CSR lengkap kami menekankan komitmen Carlsberg Malaysia terhadap amalan CSR yang baik serta mencerminkan betapa tertanam

dengan kukuhnya elemen-elemen ini di kalangan tenaga kerja dan perniagaan kami. Kami komited untuk mempertingkatkan kesejahteraan komuniti di bawah panduan prinsip kami iaitu “ Berkongsi dengan Komuniti Tanpa Bersyarat. ” 2011 menyaksikan penganjuran berterusan kempen amal utama kami iaitu “ Top Ten” yang memasuki tahun ke-25 pada tahun 2011. Salah satu dari platform kutipan dana paling mantap dan telus untuk pendidikan Cina, Top Ten telah berjaya mengumpul RM20 juta dalam 2011.

Pada keseluruhannya, inisiatif popular ini telah mengumpul lebih RM369 juta untuk 588 buah sekolah dan institusi Cina di seluruh negara sehingga kini.

Pada 2011, kami juga telah mengukuhkan pertalian kami untuk pendidikan Tamil dengan memperkenalkan projek Keperluan Penting Bahasa Inggeris dan Kembali ke Sekolah untuk pelajar dari sekolah Tamil di Semenanjung Malaysia serta Sabah dan Sarawak. Untuk usaha kami, Carlsberg Malaysia telah meraih anugerah dalam kategori Pemberian Kuasa Sosial di Anugerah Keusahawanan Bertanggungjawab Asia (Asia Responsible Entrepreneurship Award atau AREA) 2011.

Kami juga telah menerima Anugerah Kelakuan Kemenangan “ Kami Terlibat dengan Masyarakat” 2010 Kumpulan Carlsberg. Dari segi operasi, kami akan terus mengoptimumkan kecekapan kos dan penggunaan kapasiti di kilang bir serta mengumpul inisiatif peningkatan berterusan bagi menyampaikan prestasi operasi yang teguh. Dari segi tenaga insan, kami akan terus melabur dalam aset penting ini dengan memupuk satu budaya prestasi yang kukuh.

Kesemua ini, antara langkah-langkah lain, akan memastikan bahawa Carlsberg Malaysia akan terus berkembang dengan mantap.

Penghargaan Bagi pihak Lembaga Pengarah Carlsberg Malaysia, saya ingin mengucapkan setinggi-tinggi penghargaan kepada pasukan pengurusan dan kakitangan di atas kesetiaan, kegigihan dan komitmen mereka terhadap kecemerlangan. Kejayaan kami dalam tahun 2011 adalah disebabkan oleh tumpuan dan usaha gigih mereka. Penghargaan tulus ikhlas kami juga adalah untuk semua pemegang kepentingan kami, termasuk pengedar, pembekal, pelanggan dan pengguna kami. Terima kasih di atas sokongan setia anda kepada Kumpulan sepanjang semua tahun-tahun ini.

Dengan kesedihan yang amat mendalam, saya ingin mengambil kesempatan ini untuk merakamkan sumbangan yang besar yang telah diberikan kepada Kumpulan selama bertahun-tahun oleh Timbalan Pengarah Urusan kami, Allayarham Dato' Chin Voon Loong, yang meninggal dunia pada 16 Mac 2012. Saya juga ingin merakamkan penghargaan ikhlas kepada rakan-rakan saya dalam Lembaga Pengarah atas nasihat dan bimbingan mereka. Akhir sekali, saya amat berterima kasih kepada pemegang saham kami atas sokongan berterusan dan keyakinan teguh mereka terhadap Carlsberg Malaysia.

Kami berhasrat untuk mencapai tahap kecemerlangan yang lebih tinggi serta mewujudkan nilai pemegang saham yang lebih kukuh ketika kami melangkah dengan penuh keyakinan untuk menghadapi tahun 2012. Terima kasih. Dato' Lim Say Chong Pengerusi Shah Alam 4 April 2012 10 Carlsberg Brewery Malaysia Berhad (9210-K) Annual Report 2011 11 Annual Report 2011 13 Review of Operations by Managing Director We bolstered the <https://assignbuster.com/annual-report/>

leading position of our flagship brand, Carlsberg Green Label, and strengthened our extensive premium beer range to emerge a stronger multi-brand portfolio company.

The Year of Moving Boldly Forward 2011 was a year in which Carlsberg Malaysia moved boldly forward on all fronts. We turned in commendable financial performance and delivered profitable, sustainable growth. We bolstered the leading position of our flagship brand, Carlsberg Green Label, and strengthened our extensive premium beer range to emerge a stronger multibrand portfolio company. We continued to make strong strides forward on the operational front, enhancing operational efficiencies and advancing people empowerment efforts.

On top of all these, we continued to integrate impactful corporate responsibility initiatives throughout the value chain with the aim of growing the Group in a responsible manner. I am pleased to say all these measures reinforced our position and taking us to greater heights in Malaysia's Malt Liquor market.

promotions under the new global brand tagline “That Calls for a Carlsberg” that is now aligned in over 140 countries. To drive profitable, sustainable growth, we set our sights on channels with higher growth potential and supported these efforts with the right brand mix in each channel.

These measures, together with productivity improvements in the supply chain, as well as enhanced sales and marketing cost efficiencies, boosted our margins. Luen Heng F & B Sdn Bhd (LHFB) once again experienced strong growth momentum on the back of a double digit growth in beer

volumes to register an increase of 45. 5% in profit after taxes. Delivering Profitable, Sustainable Growth The year in review saw Group profit after tax grew by 24.

8% on the back of an 8. 9% increase in revenue in comparison to 2010.

This strong performance was attributable to the successful roll out of 2011's global Carlsberg brand packaging revamp and innovative consumer 14 Carlsberg Brewery Malaysia Berhad (9210-K) Review of Operations by Managing Director Aside from the strong performance of our Malaysian operations, our fully owned subsidiary, Carlsberg Singapore Pte Ltd (CSPL) and associate company, Lion Brewery Ceylon PLC, also delivered impressive results with double digit growth in revenue and earnings for 2011. CSPL turned in its third consecutive year of on-target growth delivering an 11. % increase in revenue and 47. 2% rise in profit after tax as compared to the preceding year's results.

This performance was mainly attributable to continued robust volume growth in line with the buoyant beer market in Singapore as well as revenue growth driven by a strengthened premium brand portfolio. Products and Innovation Lever: Tap Two Key Drivers to emerge a Stronger Multi-Brand Portfolio Company Perfecting the Jewel in Our Crown To bring about strong portfolio development in 2011, we leveraged our first key driver which called for us to strengthen the Carlsberg Green Label brand.

Deciding that it was time to go bolder and bigger and to take greater risks than before, we leveraged on the global revamp of the Carlsberg Green Label brand and undertook our own major makeover in Malaysia. As a result

of our efforts, Carlsberg Green Label strengthened its leading position as the most preferred brand among all drinkers in Malaysia. One out of every two drinkers voted Carlsberg as their preferred brand based on consumer research undertaken by independent international research agency, Millward Brown. Carlsberg Green Label's position as Malaysia's leading beer brand was further reaffirmed when it was awarded the coveted Gold recognition at the 2011 Putra Awards as well as the "Most Trusted Brand" by Reader's Digest readers in Malaysia and Asia for the 13th consecutive year.

Continuing to Walk Our Talk In 2011, we began to see a definite mindset change within the organisation from a focus on short-term volume to a focus on profits, as well as a shift from a focus on one brand to a focus on a diverse portfolio of brands. We successfully leveraged on this mind-set change, together with our Stand, "Thirst for Great," and the five key strategic levers to raise the bar on performance and deliver as promised in 2011.

Capturing New Ground in the Premium Segment We also decided that we had to be bold enough to say that we needed to flank the Carlsberg Green Label brand with the fast growing premium segment. As such, our second key driver saw us continuing to tap into LHFB's impressive super premium beer portfolio which successfully bolstered our position in the premium beer segment. We also went on to invest in the newly launched Carlsberg Group-owned premium brands – Kronenbourg 1664 and the Kronenbourg Blanc wheat beer variant, both of which have shown great potential in the super premium segment.

In December 2011, we were awarded the rights to locally manufacture, sell and distribute one of Asia's fastest growing premium beers – Asahi Super Dry. These brands optimise our product mix and complement our existing premium beer portfolio. Consumers and Customers Lever: Engage Audiences and Build Brand Equity Actively Engaging with Our Business Partners In 2011, we rolled out the pilot New Generation Distributor Model (NGDM) which aims to ensure the seamless integration of our sales employees and valued business partners so that consumers are served in the best manner possible.

Via the NGDM initiative, we aim to transform our traditional distributors to become our trusted strategic partners. Two distributors were selected for the initial programme which showed very encouraging results and we will be replicating these efforts with other distributors. Annual Report 2011 15 To foster closer engagement with our trade partners, we invested in a new nationwide trade programme known as the 'A' Class Experience (ACE) Programme, which comprises a series of educational and practical training sessions aimed at assisting F&B operators to raise the bar in meeting the increasingly sophisticated needs of today's customers.

We commissioned Taylor's University's Centre for Continuing Professional Education to design the ACE training modules. Through providing solid training followed up by visits to trade outlets to measure their performance, we continue to build goodwill and a strong affinity with our trade partners. Building Brand Equity among Consumers Nationwide promotions and big-scale consumer activation initiatives further strengthened the brand equity of Carlsberg Green Label and made good inroads among target consumers.

With the Malaysian operations producing the volume for Singapore today, we are utilising our cost base a lot more efficiently and are reaping the benefits with a much higher production volume. The Malaysian operations have in essence managed to assimilate the Singapore business with no additional operational costs.

Implementing CI-LEAN Effectively We continued to focus on CI-LEAN

Programme in 2011 and empowered our people to make tangible improvements on the shop floor, all of which helped to optimise cost and production efficiencies.

The LEAN philosophy revolves around identifying and eliminating nonvalue-adding activities in production, supply chain management and customer interactions. 2011's CI-LEAN achievements included maintaining our cost per Hectolitre despite increase in raw material prices; a record increase in production volume without significant capital expenditure on machinery and equipment; a substantial savings of RM6.0 million from cost optimisation activities; a lower dependency on treated water and natural gas from external sources; a savings of RM3. million from our 3R (reduce, reuse and recycle) measures; as well as efficiency improvements from better back-end operations especially in the area of logistics. In 2011, we began to see a definite mind-set change within the organisation from a focus on short-term volume to a focus on profits, as well as a shift from a focus on one brand to a focus on a diverse portfolio of brands.

Efficiency Lever: Drive Strong Operational Synergies and Optimise Cost

Efficiencies Tapping the Benefits of Integration In 2011, we continued to

make the most of the good operational synergies between our Malaysian and

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Singaporean operations to further optimise cost efficiencies. Following the full integration of the Singapore operations into the Malaysia operations, we continue to realise significant operational enhancements across all functions. 16 Carlsberg Brewery Malaysia Berhad (9210-K) Review of Operations by Managing Director 2012 will also be another exciting year for our consumers and they can expect a host of programmes and campaigns to come their way.

A key campaign would involve Carlsberg Green Label being the official beer for the Euro 2012. People Lever: Nurture Great People and Build Our Capabilities Initiatives to Nurture Our Workforce 2011's initiatives focused on raising the leadership capability of our people through leadership coaching training workshops, one-on-one coaching sessions and a mentoring system.

We also launched the Carlsberg Sales Academy (CSA) to help create more structured training and development opportunities as well as a career map for new Sales hires.

As part of the our Company's succession planning strategy, our "high-potentials" (HiPos) continued under the Carlsberg Accelerated Leader Development Programme (ALDP) which will see them moving into international leadership positions within the Group over time. Introducing the Thirst for Great Hour and Moments As part of our efforts to build Great People, Great Brands and Great Performance as well as to strengthen employee pride in being part of the Carlsberg Family, we introduced the Thirst for Great Carlsberg Hour in 2011.

This platform, which aims to get all employees to participate in Great Moments that will help inculcate Carlsberg's core values and culture among them, as well as unite and motivate them. Gauging Employee Satisfaction The Thirst for Great initiatives and the communication around it had certainly helped boost employees' confidence as reflected in the latest MyVoice employee attitude survey. 2011's survey garnered a 100% response rate and reflected a dramatic improvement in employee confidence (from two years ago) about being part of the Carlsberg Group, the Group's direction, and the effectiveness of our senior management.

We achieved an Employee Engagement score of 80%, a four percentage point improvement from 2009 results. These encouraging results are testament that our efforts to embed our shared values in our work culture are bearing fruit. Structure and Society Lever: Give Back to Society Unconditionally Making Strong Inroads with Top Ten and English Essentials We continued our strong focus on Carlsberg Malaysia's flagship charity campaign, Top Ten, which entered its 25th year in 2011, and in the same year, approximately RM20 million was successfully raised for the development of Chinese education.

For our efforts, Carlsberg Malaysia won an award in the Social Empowerment category of the Asia Responsible Entrepreneurship Awards (AREA) 2011. At the 2011 Carlsberg CEO conference in Kiev, Ukraine, we were also accorded the "We are Engaged with Society" Winning Behaviours Award 2010.

Annual Report 2011 17 August 2011 saw the maiden launch of Carlsberg Malaysia's English Essentials programme for Tamil schools in the states of Penang, Perak, Selangor and Johor. Endorsed by the Tamil School

Headmasters' Council, the programme provides school children and teachers at Tamil-medium schools the opportunity to improve their knowledge and proficiency of the English language. Ensuring Responsible Drinking The Enjoy Responsibly pilot programme was also introduced in 2011 to educate employees and consumers about the need for responsible drinking. Employing four stands – Be Safe, Be in Control, Drink Smart and Drink Responsibly – the Enjoy Responsibly campaign was introduced at selected events such as our “Where's the Party™?” and “Malaysia's Own Oktoberfest 2011” events. The Enjoy Responsibly programme will continue to feature prominently in our corporate culture as well as among our business partners, customers and consumers.

Beer will continue to be our key focus in 2012 and we will endeavour to be at the forefront of innovation by bringing new drinking experiences to our consumers. Continued investments into the Carlsberg brand and the many new and exciting portfolio opportunities, coupled with strengthened execution capabilities and efficiency initiatives, will enable us to continue our profitable growth trend and create good shareholders' value. 2012 will also be another exciting year for our consumers and they can expect a host of programmes and campaigns to come their way.

A key campaign would involve Carlsberg Green Label being the official beer for the Euro 2012 football tournament, where a line-up of exciting activities and promotions are being planned for our customers and consumers. Going forward into 2012, we remain cautiously optimistic about the prospects for the Malaysian Malt Liquor Market (MLM).

The MLM has been relatively resilient amidst the economic slowdown these last few years and has maintained a steady level of low single-digit annual growth (in terms of volume), and we believe there will be little disruption to its progress in 2012.

We are also excited about our agreement with Asahi Breweries Ltd (ABL) to locally manufacture, sell and distribute Asahi Super Dry in Malaysia. This development marks an important milestone in Carlsberg Malaysia's journey to become the nation's most vibrant beer portfolio company with a winning portfolio that meets all consumer needs. This move will strengthen our growth in the premium beer segment with the freshest product, and our earnings over the medium to long-term. More local production of premium beers will follow in 2012.

I wish to convey my utmost gratitude to our consumers, customers and partners for their continued loyalty and steadfast support of Carlsberg Malaysia and its portfolio of brands.

My sincere appreciation also goes to the members of the Board for their invaluable insights and wise counsel. In particular, I would like to express my deepest condolences to the family of the late Deputy Managing Director, Dato' Chin Voon Loong, who passed away on 16 March 2012. The late Dato' Chin will forever be remembered for his invaluable longstanding contribution, support and guidance to the Group.

Last but not least, my heartfelt thanks to all hard working employees of the Carlsberg Malaysia Group for their continued loyalty, support and commitment to pursuing a spirit of excellence and delivering profitable,

sustainable growth. Continuing to Go Boldly Forward Carlsberg Malaysia's strong portfolio and geographical exposure drove solid growth in 2011 and this will continue to be our focus for the coming years.

As we continue to move boldly forward, we will set our sights on attaining profitable, sustainable growth by tapping on our key strategic levers. Søren Ravn Managing Director

Shah Alam 4 April 2012 18 Carlsberg Brewery Malaysia Berhad (9210-K)
Review of Carlsberg Singapore's Operations The year 2011 saw Carlsberg Singapore Pte Ltd (CSPL) making great strides forward on the financial and operational fronts to deliver a strong performance. CSPL turned in its third year of consecutive on-target growth since 2009 and registered double-digit EBIT growth. This robust performance came on the back of continuing volume growth in line with the growth of the beer market in Singapore, while revenue growth was driven by a strengthened premium brand portfolio.

Even as CSPL made strong inroads to capture market share in the premium segment, it did so in a profitable and efficient manner with costs growing slower than revenue.

The good operational synergies between the Malaysian and Singaporean operations also continue to pay off. Key Levers Drive Overall Performance In line with the Group's overall strategy and direction, CSPL embarked on several key levers to ensure 2011's robust performance. Firstly, to ensure that the iconic flagship Carlsberg brand remained the No. 1 preferred premium brand, CSPL undertook an integrated re-launch campaign of the Carlsberg brand that involved brand engagement activities with its core audience of

young consumers. Secondly, the premium brand portfolio was strengthened via the accelerated growth of the Kronenbourg 1664 and Kronenbourg 1664 Blanc variants as well as the launch of Sommersby Cider (the No.

1 cider in Denmark) in a new cider category. On top of this, measures were taken to optimise CSPL's existing operational expense platforms. In addition to the above consumer, product/innovation and efficiency priorities, CSPL also focused on improving the availability, visibility and conversion of its brands with customers at the point of purchase/consumption. Efforts were made to improve the performance-based culture of the organisation through clearer measures and rewards, as well as enhancing employee engagement via talent management and recruitment activities. To this end, the rallying call of "Thirst for Great" and the 5 Winning Behaviours culture were leveraged on.

Integration Continues to Deliver Dividends CSPL continues to tap the good operational synergies with the Group's Malaysian operations to maximise cost efficiencies.

With the Malaysian operations producing the volume for Singapore, the Group is reaping several tangible benefits. For instance, the cost base is being utilised in a much more efficient manner and the Group is benefiting from much higher production volume. On top of this, the reduced lead time is translating into fresher and better quality products, while the associated logistics costs too have dropped. Further cost efficiencies were achieved through collaborative marketing campaigns and sharing of creative production resources. Both markets are adopting common marketing platforms and agencies where it makes sense to do so.

Annual Report 2011 19 CSR Efforts Strengthen Stakeholder Relationships

CSPL continues to implement effective Corporate Social Responsibility activities to build sustainable relationships with its key stakeholders in Singapore. One of its most successful communitycentric programmes over 2011 was the “ Save Everest” campaign which saw participation from key stakeholders such as consumers, media and employees. Five CSPL representatives were part of a team that were selected to “ save” Mt Everest from the damage caused by garbage left behind by mountain climbers and hikers.

Ascending some 5, 000 metres above ground level to help preserve the ecosystem of this UNESCO World Heritage Site, the efforts of these ? ve representatives certainly went a long way in educating audiences about the gravity of the situation. It also helped build goodwill and enhanced CSPL’s reputation in the marketplace.

In Recognition of Excellence In recognition of the good branding work done over the year, CSPL received an award from Campaign Asia for having one of the Top 10 Chinese New Year television commercials (TVCs) in the Asia Paci? c region.

The CSPL marketing team’s Everest campaign was also nominated for the Top 10 Viewers’ Choice TVC Awards (International Category) under the Carlsberg brand identity re-launch. On top of this, CSPL received a Gold Medal at the Beer Fest Asia event. At the Out-Of-Home Planning & Innovation Awards (OOHPIA) event, CSPL and its agencies won an award for the Best Use of Multiple Clear Channel Formats, which involved the clever use of multiple formats to reach different audiences. Within the Carlsberg Group,

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the CSPL Finance team was awarded the Group's Asia Finance Excellence Award 2011 for their outstanding work.

Moving Boldly Forward into 2012 Going forward, the overall macroeconomic climate for 2012 has been moderated downwards with Singapore's GDP projected to grow in the region of 1% to 3% given the less-than-optimistic developments in the US and Eurozone. In view of this, consumers and customers are expected to be more selective in their discretionary spend and investments. CSPL will thus embark on marketing and sales programmes that engage consumers in a more direct and relevant manner while delivering better returns on investment.

The focus will be on rolling out fewer but high impact initiatives that enable CSPL to continue to deliver volume and revenue growth that will outpace the marketplace in a profitable, sustainable manner. Going forward, the Group is confident that CSPL will deliver another impressive performance in 2012 as it reinforces the market position of Carlsberg Green Label, strengthens its growing premium portfolio and undertakes initiatives to further bolster operational efficiencies and value management.

20 Carlsberg Brewery Malaysia Berhad (9210-K) Management Team York James Spencer Aged 38, New Zealander Juliet Yap Swee Hwang

Aged 35, Malaysian Gary Tan Sim Huan Aged 42, Malaysian Kenneth Soh Chee Whye Aged 48, Malaysian Marketing Director Business Development Director Sales Director General Manager of Luen Heng F & B Sdn Bhd Annual Report 2011 21 Soren Ravn Aged 38, Dane Kristian Dahl Aged 37, Dane Lew Yoong Fah Aged 44, Malaysian Bart Lim Siang Chin Aged 42, Singaporean Loh Boon Lan Aged 43, Malaysian Managing Director Supply Chain Director

Chief Financial Officer / Company Secretary General Manager of Carlsberg Singapore Pte Ltd Human Resource Director 22 Carlsberg Brewery Malaysia Berhad (9210-K) Management Team Profile

Soren Ravn Aged 38, Dane Managing Director Juliet Yap Swee Hwang Aged 35, Malaysian Business Development Director York James Spencer Aged 38, New Zealander Marketing Director Mr.

Ravn has been with the Carlsberg Group for over 13 years. Prior to his appointment as Managing Director of Carlsberg Malaysia in March 2010, Mr. Ravn held various strategic and operational positions including Group Strategy Director in the Carlsberg global headquarters in Copenhagen, Managing Director of Carlsberg Hong Kong & Macau and also the Vice President – Supply Chain, HR and Business Development in Carlsberg Greater China.

Ms. Yap joined Carlsberg Malaysia in 2007, heading the Consumer Insights function before assuming the role of Senior Manager-Strategy Development, Innovation & Research in 2008. She was subsequently promoted to her current role as Business Development Director in January 2011, where she is responsible in driving the development and implementation of the company's business and portfolio strategies while exploring new business opportunities.

Mr. Spencer has held various key positions in branding and marketing, including Fonterra-New Zealand, Asia Pacific Breweries Ltd-Singapore, and his own consultancy firm in Vietnam. Prior to joining Carlsberg Malaysia in May 2011 as Marketing Director, Mr Spencer served with Scottish and Newcastle

Ltd as the Market Development Director for Asia and subsequently as International Marketing Manager based in Paris. Lew Yoong Fah Aged 44, Malaysian Chief Financial Officer / Company Secretary Kenneth Soh Chee Whye Aged 48, Malaysian General Manager of Luen Heng F & B Sdn Bhd Bart Lim Siang Chin Aged 42, Singaporean General Manager of Carlsberg Singapore Pte Ltd

Mr. Lew has held senior financial positions prior to his appointment as the Chief Financial Officer of Carlsberg Malaysia in January 2010, in companies such as Danone Dumex Malaysia, Philips Electronics Singapore, SSMC (JV Philips) Singapore and Philips Malaysia. In his previous position as Finance Director at Danone Dumex Malaysia, Mr.

Lew also served as its Director and Company Secretary with responsibilities across Malaysia, Singapore and Brunei. Mr. Soh began his career in financial consultancy firms Deloitte Kassim Chan & Co and KPMG, before joining his family business, Luen Heng Agency (LHA) as a Sales and Marketing Director for 15 years, dealing particularly in foreign beverage brands and import-export matters of the food and beverage industry. Subsequent to the joint-venture between Carlsberg Malaysia and LHA in November 2008, a new company called Luen Heng F&B Sdn Bhd was formed in which he was appointed as the General Manager. Mr.

Lim has accumulated 18 years of consumer industry experience in a sales and marketing role, with companies such as Proctor & Gamble and Johnson & Johnson as Regional Customer Development Director.

He has been the General Manager of Carlsberg Singapore since January 2009 and continues this role subsequent to its acquisition by Carlsberg Malaysia at the end of 2009. Annual Report 2011 23 Gary Tan Sim Huan Aged 42, Malaysian Sales Director Prior to his appointment as Sales Director of Carlsberg Malaysia since August 2009, Mr. Tan spent 14 years in Unilever Malaysia, during which time he served as Customer Development Director as well as a Board Director, leading in areas of sales and brand management.

Kristian Dahl

Aged 37, Dane Supply Chain Director Loh Boon Lan Aged 43, Malaysian Human Resource Director Mr. Dahl has been with the Carlsberg Group since 1999 and has worked as Brewmaster & Supply Chain Specialist in a number of markets including Carlsberg Denmark, Carlsberg UK & Group Supply Chain.

Prior to his appointment as Supply Chain Director with Carlsberg Malaysia in March 2012, Mr. Dahl had worked for 5 years as Regional Technical Director in Carlsberg Indochina overseeing the supply chain operations in Vietnam, Cambodia & Laos.

Ms. Loh has over 17 years of experience in human resource management, 5 of which have been with Carlsberg Malaysia. She has previously held managerial positions in companies such as ACNielsen and Philips Malaysia and was also a management consultant for Arthur Anderson & Co where she advised clients on HR systems, processes, compensation and benefit matters. Ms Loh was appointed as Human Resource Director of Carlsberg Malaysia in September 2008.

24 Carlsberg Brewery Malaysia Berhad (9210-K) Brand Portfolio

Boldly Fast-forwarding Our Brand Portfolio As we set our sights on becoming the country's most dynamic brewer with an equally dynamic portfolio of beverage brands, we are offering consumers an exciting portfolio of beers, stouts, ciders, wines, spirits and other beverages that are world class and setting trends in the marketplace, particularly in the premium beer segment. 2011 saw us fast-forwarding Carlsberg Malaysia's transformation from a one-brand beer company to a dynamic brewer with a portfolio of international beer brands.

As a result, we reinforced the leading position of our crown jewel, Carlsberg, and bolstered our extensive premium beer portfolio. With a more international-oriented and synergistic brand portfolio, we outpaced the market and brewed sustainable growth by being the preferred partner to our customers while the brands within our portfolio strengthened their most preferred position among consumers. Asahi Super Dry, the Japan's no. 1 beer brand is brewed in a unique 'Karakuchi' style to give a clean, crisp and refreshing taste with no bitter after taste.

Carlsberg Gold, inspired by an original recipe from the 19th century, double brewed and blended to perfection. Annual Report 2011 25 Danish Royal Stout, a full-bodied stout with 8% alcohol content to bring out the best aroma and taste. Kronenbourg 1664, France's best-selling super premium beer, is specially brewed with aromatic Strisselspalt hops. This elegant beer has a crisp, citrus flavour with a floral aroma. Kronenbourg 1664 Blanc, the wheat beer variant of Kronenbourg 1664, is cloudy with a fruity and refreshing taste

and presented in a contemporary blue bottle. Carlsberg, the most preferred beer brand in Malaysia is now enjoyed by consumers in 140 markets.

26 Carlsberg Brewery Malaysia Berhad (9210-K) Brand Portfolio Erdinger, top class premium wheat beer. With ? ne yeast. Traditionally matured in the bottle – like champagne. Carlsberg Special Brew, a dark golden brew stands as a quality premium beer in the high alcohol category. Corona, Mexico's leading national brand uniquely served with a slice of lime for that refreshing zesty ? avour.

Budweiser, the of? ial FIFA® World Cup Sponsor and the King of beers.

Annual Report 2011 27 Born in the middle age, Grimbergen Blonde is a top-fermented beer brewed under an arrangement with the Father of Grimbergen Abbey located in Belgium. SKOL, ? rst brewed in 1959, is Brazil's No. 1 beer and available in more than 80 countries worldwide. Hoegaarden, the fastest growing imported premium beer in Malaysia, a naturally cloudy beer made from wheat for that refreshing sensation.

Stella Artois, the No. 1 Belgian beer in the world and distributed in over 80 countries worldwide. 8 Carlsberg Brewery Malaysia Berhad (9210-K) Brand Portfolio Carlsberg Green Label Carlsberg, our crown jewel, is an all malt lager brewed with a rich heritage and superior quality that goes all the way back to the year 1847 in Copenhagen, Denmark. Today, it is available in more than 140 markets globally and is Malaysia's most preferred beer brand. Evolving to Exceed Expectations The iconic Carlsberg brand and its evergreen look and feel continues to be loved by many in Malaysia while its taste is enjoyed by millions around the world.

Leveraging on its trusted heritage and rich brand equity, Carlsberg undertook a global brand revamp in 2011 whereby it redefined standards and evolved to become a bolder, more modern and more engaging brand. In April 2011, Carlsberg unveiled its new visual identity featuring the new Carlsberg Crown that is simpler in design yet has distinctive features to appeal to younger consumers. The new packaging complements its refreshing taste and premium positioning as well as the new tagline, “That calls for a Carlsberg” which is now used across all 140 markets in the Carlsberg world.

Whilst the brand has been given a bold new look, the beer maintains its same great taste. A through-the-line marketing campaign was carried out to make the brand re-launch a success and to deliver on commercial objectives. Prior to the That Calls for a Carlsberg For the past 13 consecutive years, Carlsberg has won the Reader’s Digest Most Trusted Brand Award bearing testament to the credibility of its quality and the values it represents.

In 2011, Carlsberg reinforced its brand position by winning its second consecutive Gold Award at the Putra Brand Awards.

These prestigious awards aptly reflect consumer and industry leader endorsements of Carlsberg as the most preferred beer brand and one that is set apart from the crowd. Leveraging on product innovation, engaging consumer promotions and through-the-line marketing, Carlsberg remains the clear market leader as indicated by the Millward Brown Beer Tracker results for both 2010 and 2011. revamp, more than 1, 000 distributors, customers and retailers were invited to a grand trade launch to be briefed on the new packaging and brand direction of Carlsberg.

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A good many employees and their families too visited the brewery and took part in a wall-painting exercise featuring a replica of the famed Carlsberg Elephant Gate at Copenhagen, Denmark in remembrance of the founder of Carlsberg, J. C.

Jacobsen and his beer making heritage. Taking a Bold Step, Doing the Right Thing Carlsberg's new global identity calls for the brand to be a vibrant, bold, young, inspirational and contemporary brand that is anchored on its rich heritage as well as the same premium quality and great taste.

The journey of the re-launch kicked-off with research and development of the new packaging, then went on to involve conceptualisation of the brand's direction, and ended with effective inmarket execution. These activities were part of a step-by-step strategy to hype up brand awareness and drive brand equity and growth. At the media launch held at the Shah Alam brewery, hundreds of employees and members of the media witnessed the unveiling of the new Carlsberg Crown as well as the new packaging for the bottle and can.

In conjunction with the re-launch, approximately 200 employees from sales, marketing and supporting functions were deployed to execute a merchandize makeover blitz at more than 2, 000 refreshment outlets over a two-week period. Outlet owners garnered positive response with regard to the new signage, sales merchandise, point-of-sales materials and vehicles, all of which made a bold statement and a lasting impression. Top of Mind Preferred Brand Brand Loyalty 4% point 4% point 10% point 2010 2011 2010 2011 2010 2011 Source: Millward Brown Beer Tracker 2010/11

A series of eight thematic ads which communicate the brand essence of “Stepping up...” were launched in conjunction with the new tagline of “That calls for a Carlsberg”. 30 Carlsberg Brewery Malaysia Berhad (9210-K) Brand Portfolio Activated through social media platforms such as Facebook and blogs, the WTP events increased the Carlsberg fan-base from 4, 000 fans to 17, 000 fans in 2011. “Where’s the Party?” Builds an Affinity with Younger Consumers As part of our efforts to elevate the Carlsberg brand experience and its reach among younger consumers, an engagement platform named “Where’s the Party? (WTP)” was created.

Leveraging on social media to reinforce the new brand positioning, two WTP events were held in June and December 2011 respectively. Held at undisclosed locations prior to the day of party, both WTPs generated excitement and received overwhelming reviews among the 18 and 25 years old consumer group. These parties were the pinnacle of the Carlsberg consumer and media re-launch experience with both becoming the most talked about events for the year. Involving a high