

Q3 2020 TRADING STATEMENT

Presentation
28 October 2020



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Q3 – Organic volume growth

TOTAL VOLUME GROWTH

- Continued large variations between markets and regions
- Growing off-trade more than off-set declining on-trade

PRICE/MIX DECLINE

- Impacted by channel and country mix, and promotions in Russia

ORGANIC TOTAL VOLUMES

+2.4%

PRICE/MIX

-4%

ORGANIC REVENUE

-2.1%



Strong volume progress for international brands and growth categories

+13%



+12%



+9%



+4%



-2%



ALCOHOL-FREE BREWS
+29%



CRAFT & SPECIALITY
+12%



Western Europe

THE NORDICS

- Strong performance on volume and value in Norway, while volumes in Denmark impacted by the loss of CSD border trade. Volumes in Sweden impacted negatively by closed Norwegian border
- Strong growth for craft & speciality and alcohol-free brews

SWITZERLAND

- High on-trade exposure impacting volumes negatively
- Strong growth for craft & speciality and alcohol-free brews, while price/mix impacted by loss of third-party volumes

FRANCE

- Improved performance in off-trade, while total volumes impacted by lower on-trade volumes
- Strong growth for craft & speciality and alcohol-free brews

POLAND

- Continued volume growth in Q3 driven by modern trade
- Positive price/mix

UK

- Strong volume growth in off-trade, supported by Carlsberg and San Miguel, while total volumes slightly down due to on-trade decline



**ORGANIC TOTAL
VOLUMES**

-0.8%

PRICE/MIX

-4%

**ORGANIC
REVENUE**

-5.0%

Asia

CHINA

- Strong rebound in September following lock-down in western China in August
- Volume +4%, significantly ahead of the market

LAOS AND VIETNAM

- Laos: Strong volume growth, positively impacted by increasing consumer sentiment, a higher domestic consumer base and execution of commercial activities
- Vietnam: Volume growth driven by commercial execution and strong performance of local brands: Huda and Halida

INDIA AND NEPAL

- India: Significant market decline, although rate of decline is improving month-on-month
- Market share strengthened
- Nepal: Very challenging conditions in Nepal due to lock-downs and restrictions as well as import ban on energy drinks

MALAYSIA

- Volumes impacted by continued challenging market conditions, incl. restrictions on on-trade

**ORGANIC TOTAL
VOLUMES**

-0.4%

PRICE/MIX

-1%

**ORGANIC
REVENUE**

-1.5%



Eastern Europe

RUSSIA

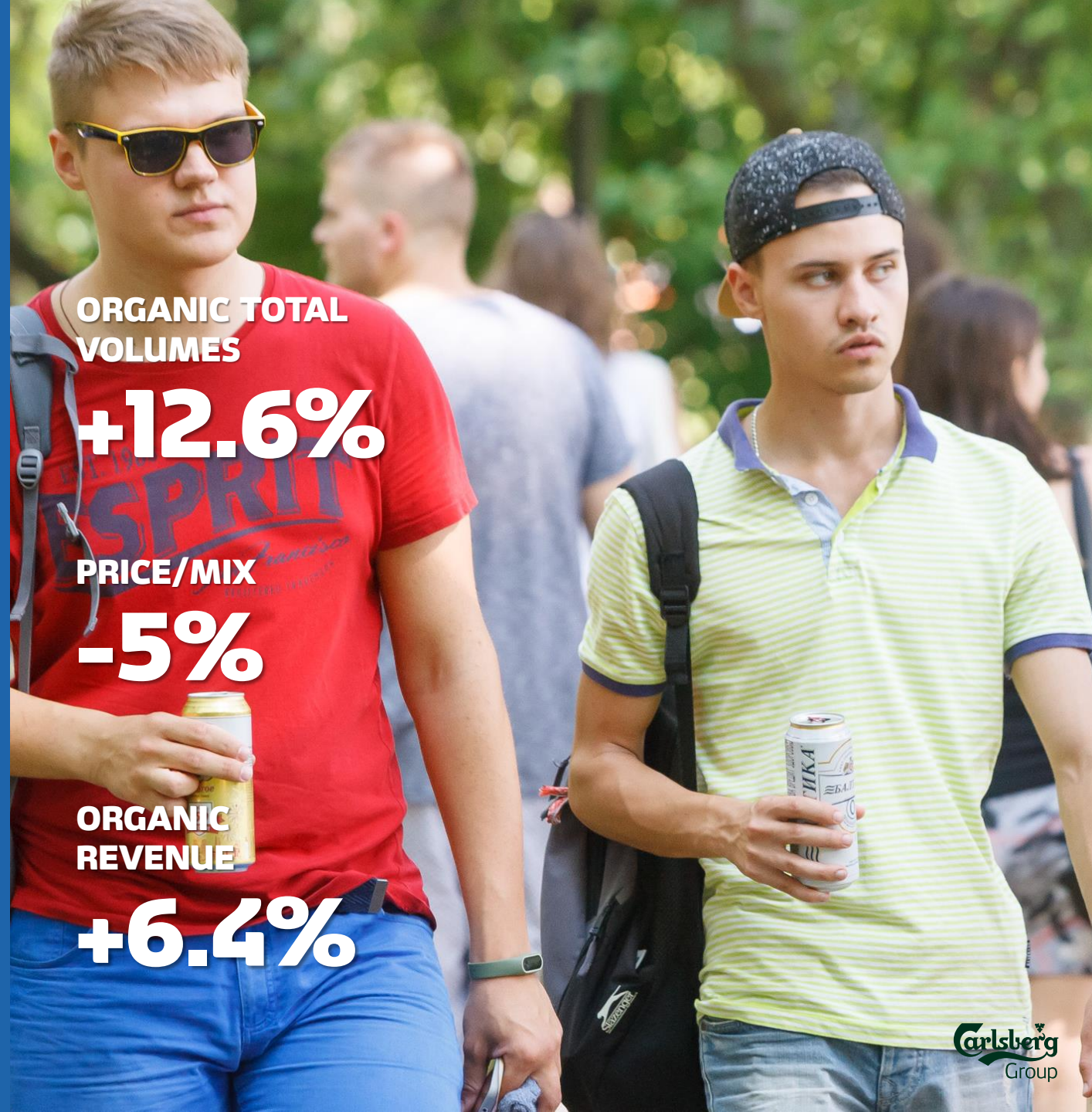
- Strong volume growth, supported by warm weather and improved market share
- Continued high level of promotional activities
- Strong growth of craft & speciality, alcohol-free brews, Carlsberg and Tuborg

UKRAINE

- Small volume growth impacted by good weather in parts of Q3, new product launches and strong performance of Baltika and Kvass

OTHER MARKETS

- Strong volume growth in Belarus and Azerbaijan, while volumes in Kazakhstan were flat. Positive price/mix in both markets



**ORGANIC TOTAL
VOLUMES**

+12.6%

PRICE/MIX

-5%

**ORGANIC
REVENUE**

+6.4%

2020 OUTLOOK

Upgrade of earnings guidance

- Earnings upgrade due to:
 - Strong performance in Q3
 - Continued positive volume momentum in Russia and China in beginning of Q4
 - Solid execution of cost reductions
- Consequently, we now expect:
 - **Organic operating profit decline of mid-single-digit percentage (previously high-single-digit percentage decline)**

Other assumptions

- A translation impact on operating profit of around DKK -450m, based on the spot rates as at 27 October (previously around DKK -400m)
- Net finance costs (excluding FX) of DKK 550-600m (previously DKK 600-650m)
- Reported effective tax rate at around 25-26% (previously around 26%)
- Capital expenditures of around DKK 3.5-4.0bn at constant currencies, excluding the purchase of brand rights (previously around DKK 4bn)

Q&A

