Carlsberg Group

2024 RESULTS PRESENTATION

Forward-looking statements

This presentation contains forward-looking statements, including statements about the Group’s sales, revenues, earnings, spending, margins, cash flow, inventory, products, actions, plans, strategies, objectives and guidance with respect to the Group's future operating results. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "believe", "anticipate", "expect", "estimate", "intend", "plan", "project", "will be", "will continue", "will result", "could", "may", "might", or any variations of such words or other words with similar meanings. Any such statements are subject to risks and uncertainties that could cause the Group's actual results to differ materially from the results discussed in such forward-looking statements. Prospective information is based on management’s then current expectations or forecasts. Such information is subject to the risk that such expectations or forecasts, or the assumptions underlying such expectations or forecasts, may change. The Group assumes no obligation to update any such forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements.

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Significant events shaping the future of the Carlsberg Group

STRATEGY
- ✓ Accelerate SAIL

ACQUISITIONS
- ✓ Britvic
- ✓ CSAPL (India and Nepal)
- ✓ Marston's shareholding in the UK business
- ✓ Mikkeller (Denmark)
- ✓ Brasserie du Pays Flamand (France)

DISPOSALS
- ✓ Baltika Breweries

EXPANDING PEPSI PARTNERSHIP
- ✓ Licence agreement in Kazakhstan and Kyrgyzstan (from January 2026)

Britvic acquisition – compelling strategic, operational and financial rationale

STRATEGICALLY ATTRACTIVE FOR THE CARLSBERG GROUP

- ✓ Supporting Accelerate SAIL growth ambitions by increasing exposure to structurally growing category
- ✓ Compelling value creation from substantial cost synergies, margin and EPS accretion and strong cash flow generation
- ✓ Strengthening long-standing close partnership with PepsiCo
  - Becoming PepsiCo's largest bottling partner in Europe and one of its key bottling partners worldwide

TRANSFORMING OUR UK BUSINESS

- ✓ Becoming the leading supplier in the UK offering beer and soft drinks
  - Providing customers a comprehensive portfolio of strong brands and leading customer service
- ✓ Highly synergistic and efficient integrated supply chain
- ✓ Driving additional operating profit growth from cost synergies
- ✓ Accelerating revenue growth through increased sales and marketing investments and market share gains in growing profit pools

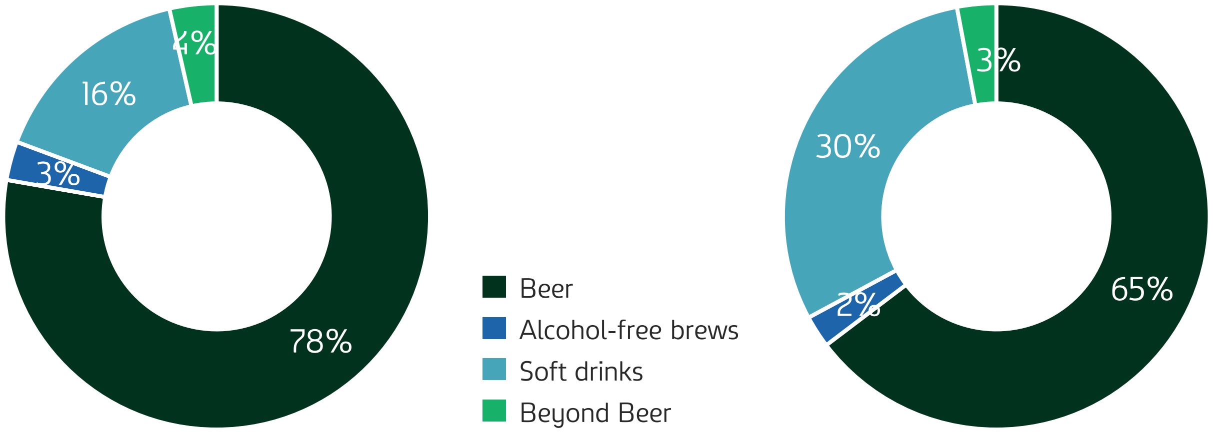
Increased exposure to non-alcoholic beverages

EXPANDING exposure to **alcohol-free beverages** to **32%**

DIVERSIFYING portfolio into categories with **proven growth prospects**

PORTFOLIO SPLIT, volume

2024 | **2024 PRO FORMA**



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Britvic acquisition - Significant cost synergies and commercial benefits from combining beer and soft drinks

BACK-OFFICE & ADMINISTRATION
- Elimination of duplicative tasks throughout the value chain
- Economies of scale

PROCUREMENT
- Scale benefits

PRODUCTION
- Line consolidation
- Optimising long-term CapEx needs

LOGISTICS AND DISTRIBUTION
- Combined warehousing
- Improved network utilisation
- Improved economics of servicing smaller customers

ON- AND OFF-TRADE CUSTOMERS
- Cross-selling and increased penetration
- Leveraging enhanced portfolio
- Revenue acceleration plan

GBP 100m COST SYNERGIES
across the value chain

SALES SYNERGIES
not quantified

Compelling financial rationale for the acquisition of Britvic

COMPLETION DATE: 16 January

CONSOLIDATION IN CARLSBERG ACCOUNTS: from 16 January

CASH PAYMENT: GBP 3.3bn

CASH OUT: 27 January

FINANCIAL IMPACT ON GROUP

MARGIN ACCRETIVE: 2027

ADJ. EPS ACCRETIVE: MSD in 2025, DD in 2026

ROIC > WACC: 2027

NIBD/EBITDA:

- Target < 2.5X by the end of 2027, at the latest
- Pro forma combined business 2024 3.4x

ESTIMATED SYNERGIES AND ONE-OFF COSTS

	Estimated cost synergies	One-off costs
Total	GBP 100m	GBP 83m
2025	c. 10-15%	c. 50%
2026	c. 30-40%	c. 20%
2027	c. 30-40%	c. 20%
2028-2029	c. 20%	c. 10%

BRITVIC 2024 – REGIONAL SPLIT IN CARLSBERG

Year ended 30 September 2024	Group	Western Europe	CEEI
Non-beer volume[1]	25.4m hl	c. 85%	c. 15%
Revenue[1]	GBP 1.9bn	c. 85%	c. 15%
Operating profit, adj.[1]	GBP 250m		

Note[1]: Britvic 2024 Annual Report

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Getting full control of Indian business

ATTRACTIVE BEER MARKET

Positive consumer outlook and increased investments supporting beer market growth

KEY FACTS

- Young population: 2/3 < 35 years of age
- Legal drinking age population: 800m
  - 20m increase/year
- Beer drinking population: 140m
- Per capita consumption (PCC): c. 2.5 litres
  - PCC (beer drinking population): c. 25 litres

KEY GROWTH DRIVERS

- Growing India economy
- Increasing disposable income
- Rapid urbanisation
- Modernisation of licensed outlets
- Increase in eating out and spending on alcohol
- Increased number of women drinkers
- Increasing popularity of beer
- Market growth 2014-2023: 5% CAGR

HIGHLY REGULATED MARKET

KEY FACTS

- 90,000 outlets nationwide, 62 outlets per 1m people
- Government (62% of industry volume)
  - Brewers sell to corporation under excise oversight. Outlets collect goods from government depots
- Auction (24% of industry volume)
  - Retail licences are auctioned off annually. Goods must pass through a government sanctioned warehouse
- Free trade (14% of industry volume)
  - Alcohol moves from brewers to distributors to retailers
- Restrictive consumer activities
  - No TV or social marketing, no branding outside outlets
  - Merchandising and branding inside outlets permitted
- Complicated tax regulation
  - Excise tax by volume
  - State-by-state regulation of taxes

CARLSBERG MARKET POSITION

2024	STRONG BEER	MILD BEER
SUPER PREMIUM	Launched in December 2024	
PREMIUM	#2	#3
MAINSTREAM	#2	#2

LEAN BEER PORTFOLIO IN INDIA

Super premium | Premium | Mainstream

Mild | Mild | Strong | Mild | Strong

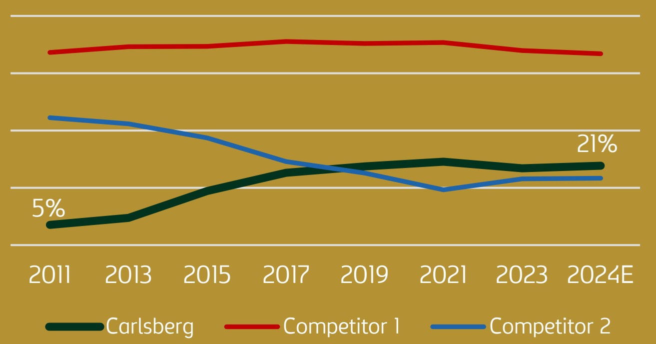
Ambitious plans for capturing continued growth in India

KEY HIGHLIGHTS

Driving long-term growth by capturing market growth and leveraging strong brands and plans

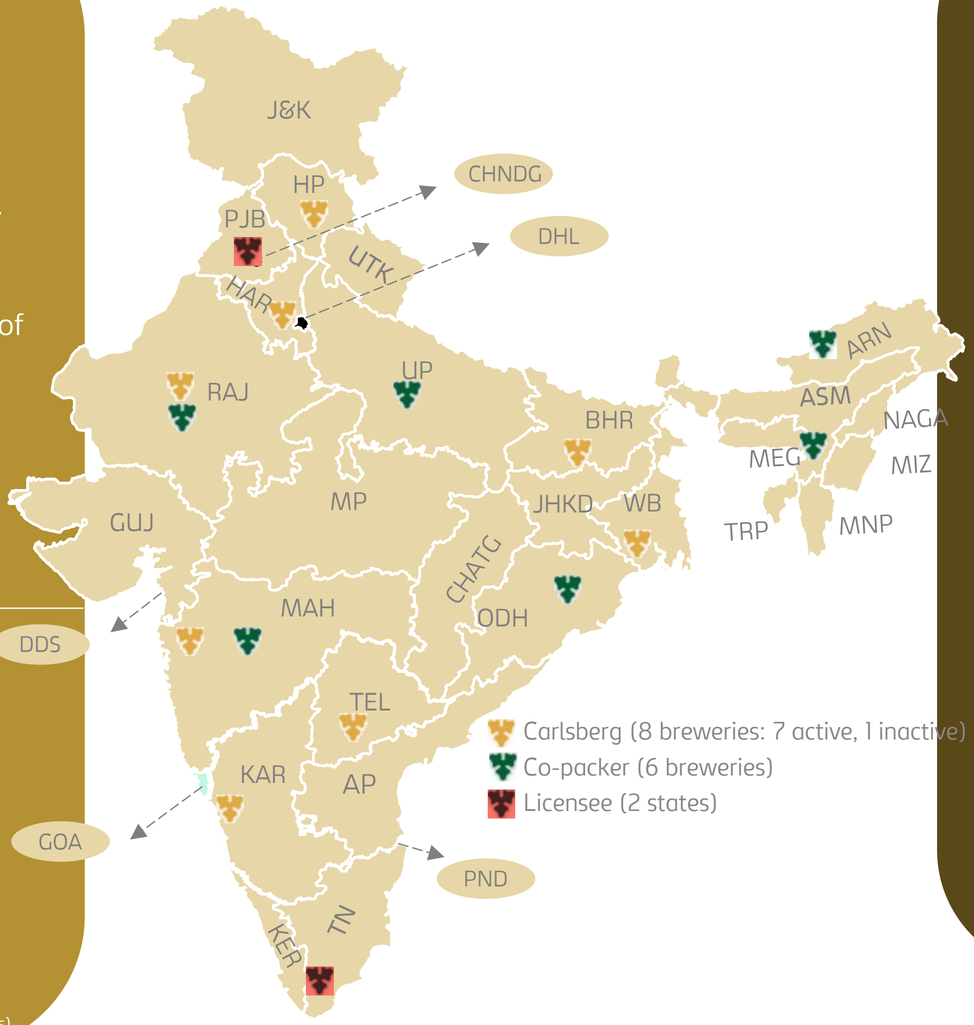
- Established in 2007
- Surgical approach
  - States divided into clusters based on ease-of-doing business, alcohol policies and profitability
  - Outlets within states segmented base of size of business and size of opportunity
- Building on momentum with a winning portfolio to ensure continued share gains
- Ensuring sufficient capacity at the right time
- Carlsberg India growth 2014-2023: 10% CAGR
- Carlsberg India volume 2024: 5.7m hl

MARKET SHARE



Note: Market shares in states where Carlsberg India is active (approx. 80% of market volumes)

OUR FOOTPRINT



NEPAL

MARKET DATA

- Young population: 2/3 < 35 years of age
- C. 40% of population < 25 years of age
- Per capita consumption: ca. 4 litres
- Market growth 2014-2023: c. 8% CAGR

CARLSBERG IN NEPAL: GORKHA BREWERY

- Consolidated from 29 November
- Market share: c. 60%
- Volume 2024: 0.9m hl (+15%)
- Share of volume:
  - Premium c. 28%
  - Mainstream: c. 71%
  - Beyond Beer: c. 1%
- Key brands
  - Gorkha
  - Tuborg
  - Carlsberg

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Solid profit development and cash flow

TOTAL VOLUME
125.7m hl
+0.4%[1]

Growth in CEEI off-setting volume decline in W. Europe and Asia

REVENUE/HL
+2%[1]

Mainly driven by price increases, supported by product mix

REVENUE, DKK
75.0bn
+2.4%[1]

Reported revenue growth of 1.9%

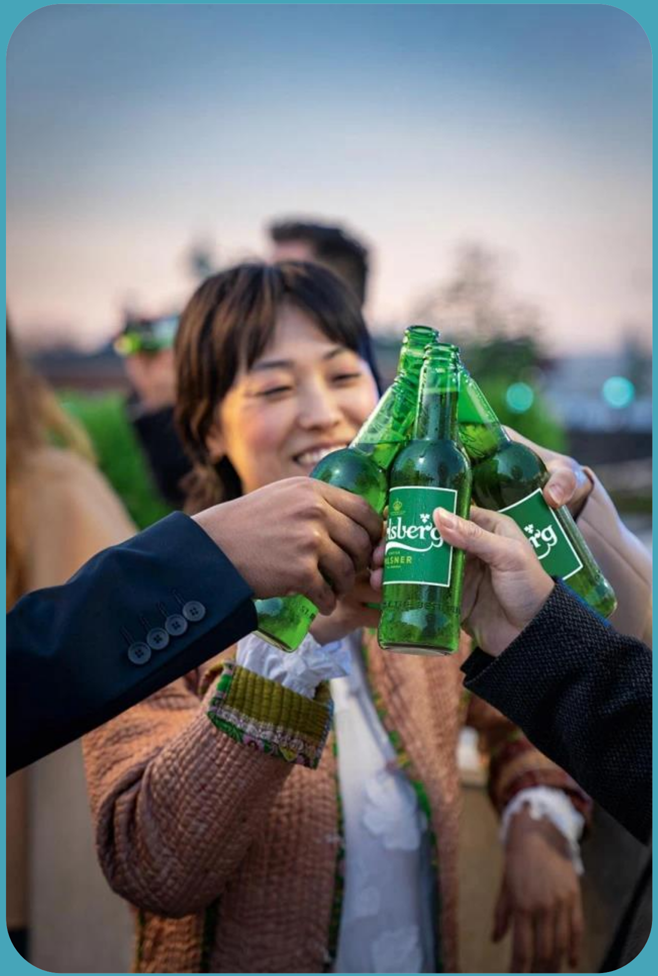
OPERATING PROFIT, DKK
11.4bn
+6.0%[1]

Operating margin improvement of 10bp to 15.2%

FREE OPERATING CASH FLOW, DKK
6.4bn

CASH RETURNS, DKK
5.6bn

Dividends of DKK 3.6bn and share buyback of DKK 2bn



[1] Organic growth

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Good progress for growth categories and international brands

PREMIUM	**+2%**
AFB	**+6%**
SOFT DRINKS	**+1%**
BEYOND BEER	**+5%**

+9% +5% +6% +5%

Western Europe

THE NORDICS
- LSD volume growth
- Growth of premium, alcohol-free brews and soft-drink

UK
- A very busy year with major events
- Flat volumes and LSD revenue/hl growth despite excise tax impact from Kronenbourg 1664 in 2023
- Good performance of Carlsberg Danish Pilsner, Poretti and Brooklyn

FRANCE
- A tough year with market share losses in a declining market

TOTAL VOLUMES[1]
-1.1%

REVENUE/HL[1]
+2%

REVENUE[1]
+0.9%

OPERATING PROFIT[1]
+5.2%

OPERATING MARGIN
13.9% (+60bp)

[1] Organic growth

Asia

CHINA
- Continued market share gains
- Good H1 offset by declining H2 volumes due to tough comps, consumer sentiment, weather and destocking
- Premium portfolio outperforming mainstream core

VIETNAM
- Flat volumes in a stabilising market
- Continued growth of premium while mainstream declined

LAOS
- LSD volume growth, reaching all-time-high volumes
- Significant price increases to offset inflation

TOTAL VOLUMES[1]
-1.0%

REVENUE/HL[1]
+2%

REVENUE[1]
+1.0%

OPERATING PROFIT[1]
+7.9%

OPERATING MARGIN
22.6% (+50bp)

[1] Organic growth

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Central & Eastern Europe and India

UKRAINE
- HSD volume growth
- Strong growth for premium portfolio, AFB and Beyond Beer

INDIA
- Low DD volume growth
- Tuborg Strong and Carlsberg Elephant main drivers
- 1664 Blanc launched in December 2024

SOUTH EAST EUROPE AND BALTICS
- MSD volume growth with growth in all markets

EASTERN EUROPE
- Solid growth in Azerbaijan and Belarus but decline in Kazakhstan due to market decline
- Preparations for taking over Pepsi licence in Kazakhstan have started

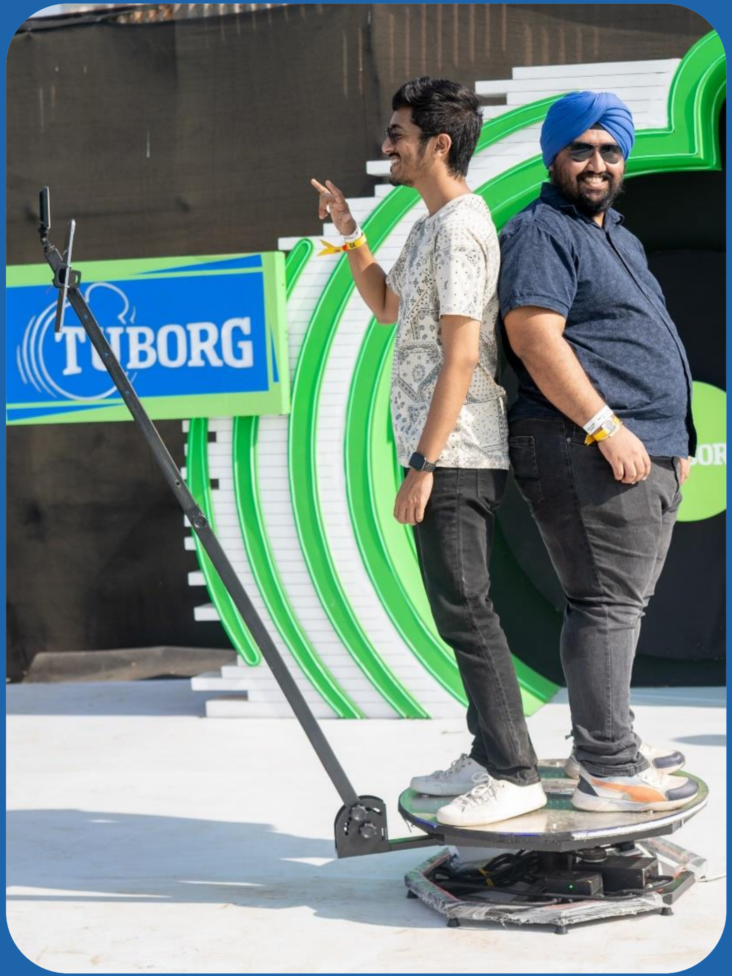
TOTAL VOLUMES[1]
+4.0%

REVENUE/HL[1]
+4%

REVENUE[1]
+7.8%

OPERATING PROFIT[1]
+9.6%

OPERATING MARGIN
18.5% (+10bp)



[1] Organic growth

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Impact of hyperinflation accounting in Laos

DKK million	2024 (before restatement)	Total adjustments	2024 (reported)
P&L AND ROIC			
Revenue	74,796	215	75,011
Operating profit before special items	11,486	-75	11,411
Operating margin	15.4%	-20bp	15.2%
Non-controlling interests	1,148	-1	1,147
Shareholders in Carlsberg A/S (net profit)	9,118	-2	9,116
Adj EPS (DKK)	54.9	-	54.9
ROIC	14.5%	-70bp	13.8%
CASH FLOWS			
Operating profit before special items	11,486	-75	11,411
Depreciation, amortisation and impairment losses	4,208	162	4,370
Other non-cash items	-548	-87	-635
Cash flow from operating activities	**11,312**	**-**	**11,312**

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Key financials (1)

REVENUE

+2.4%[1]

- Revenue/hl +2%[1], supported by price increases
- FX -0.7%, particularly from RMB, LAK (incl. hyperinflation impact) and UAH

OPERATING PROFIT

+6.0%[1]

- Cost of sales/hl -1%[1]
- Gross profit/hl +5%[1]
- Gross margin 45.8% (+120bp)
- Marketing investments up by 6%[1]
- Operating margin 15.2% (+10bp)

ADJUSTED EPS[3]

+0.6%

- Special items: DKK -519m
- Net financials: DKK -905m
- Effective tax rate: 19.8%
- Adjusted net profit[3]: DKK 7.3bn (-2%), mainly impacted by higher net interest expenses
- Adjusted EPS[3] supported by lower number of shares

[1] Organic growth [2] Reported [3] Continuing operations

Key financials (2)

FREE OPERATING CASH FLOW

DKK 6.4bn

- Organic EBITDA +5.4%; reported EBITDA +4.0%
- Average trade working capital/revenue -20.7%
- CapEx DKK 5.0bn, including new brewery in China and capacity expansion in Laos and Vietnam

NIBD/ EBITDA

1.73x

- Net interest-bearing debt DKK 27.4bn
- Impacted by acquisition of non-controlling interests and cash returns to shareholders, partly offset by proceeds from disposal of Russian business

ROIC

13.8%

- Impacted by step acquisition in Nepal
- Impact of hyperinflaiton accounting: -70bp
- ROIC excl goodwill: 35.5%

Our capital allocation priorities

01	**Invest in our business to drive long-term value creation**	6% organic growth in marketing investments. Marketing/revenue 8.7% (+30bp) Capital expenditures DKK 5.0bn
02	**NIBD/EBITDA < 2.5x**	NIBD/EBITDA 1.73x
03	**Dividend pay-out ratio (of adjusted net profit) of around 50%**	Dividend/share of DKK 27 to be paid out in March 2025 (49% pay-out ratio)
04	**Excess cash to be redistributed through buy-backs and/or extraordinary dividends**	Share buy-back amounting to DKK 2.0bn Share buy-back terminated on 8 July following recommended offer for Britvic
05	**Deviating from the above only if value-enhancing acquisition opportunities arise**	Acquisition of minority stake in Mikkeller, Denmark, and Brasserie du Pays Flamand, France Acquisition of non-controlling interests (40%) in Carlsberg Marston's Acquisition of partner's shareholding (33.33%) in CSAPL (India and Nepal) Step acquisition (10%) in Gorkha Brewery (Nepal) Completed in January 2025: Acquisition of Britvic

2025 earnings expectations

Organic operating profit growth of 1-5%[1]

BRITVIC IMPACT

- For the full-year ending 30 September 2024, Britvic plc reported an adjusted operating profit of GBP 250m. We currently assume a similar level in 2025, driven by underlying business growth and initial cost synergies offset by items such as additional commercial investments, write-offs, accounting differences and impact of purchase price allocation adjustments.

KEY ASSUMPTIONS

- Translation impact on operating profit: around DKK +150m, based on the spot rates at 5 February
- Net finance costs (excluding FX): DKK 2.6-2.7bn
- Reported effective tax rate: around 23%
- Capital expenditures: around DKK 7-8bn

[1] Including the negative impact from the loss of the San Miguel brand in the UK of 2-3%-point on organic operating profit growth.

Q&A