



# H1 2023 Interim results Presentation

By Lars Jensen (CEO) & Lars Vestergaard (CFO)

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# Organic EBIT growth

## Strong performance in multi-beverage markets

- Very good performance in Northern Europe drives organic net revenue growth of 5% (H1 2023: 6%) despite an organic volume decline of 4% (H1 2023: -3%)
- Organic EBIT growth of 3% (H1 2023: 0%) with positive impact from price increases and strict cost control
- Acquisitions contributed by around DKK 10 million to EBIT in the second quarter
- Free cash flow of DKK 949 million (H1 2023: DKK 545 million)
- Full-year outlook for net revenue of around DKK 13 billion (previously: DKK 13-14 billion) and an EBIT of DKK 1,600-1,750 million (previously: DKK 1,550-1,750 million)



# ESG highlights



- Improved ESG rating received from Morningstar Sustainalytics
- Water consumption improved driven by a change in product mix
- Per hectoliter consumption of energy and emission of CO<sub>2</sub> still impacted by the switch from natural gas to oil
- Decarbonization roadmaps for all markets
- Inauguration of biogas plant in Finland and own solar park in Denmark
- By 2030, we aim to reduce absolute scope 3 CO<sub>2</sub> emissions by 50% compared to 2019
- New cardboard solutions introduced to reduce the use of plastics

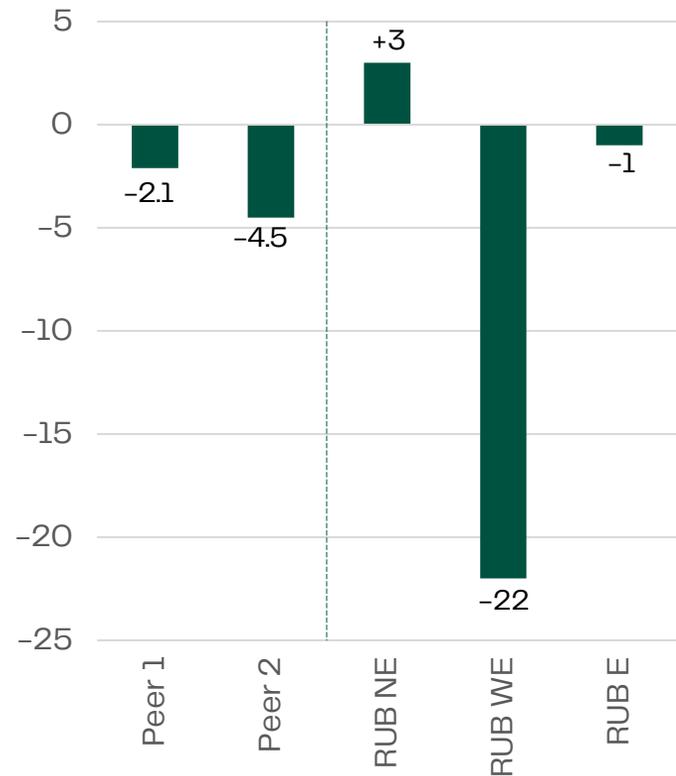


# Busy first half of the year

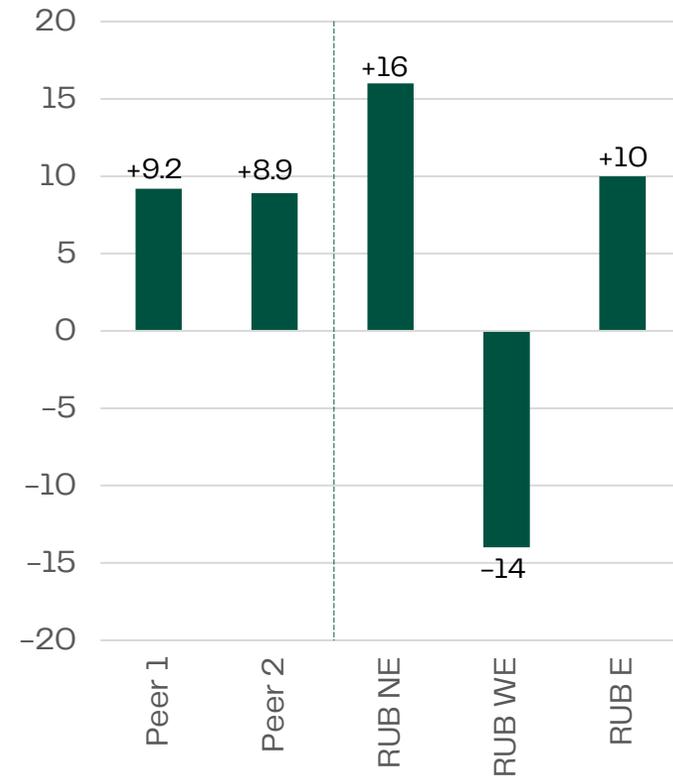
- Multi-beverage markets in Northern Europe performing well
- The Italian On-Trade wholesale beer channel normalized during the second quarter of the year
- Successful product launches in Denmark and Finland
- Lower sales and distribution costs outweighed by higher production costs and higher project-related costs
- New PET line ordered in Denmark
- Agreed to acquire Vrumona and a brewery from Birra Castello in July

# H1 2023 peer performance comparison

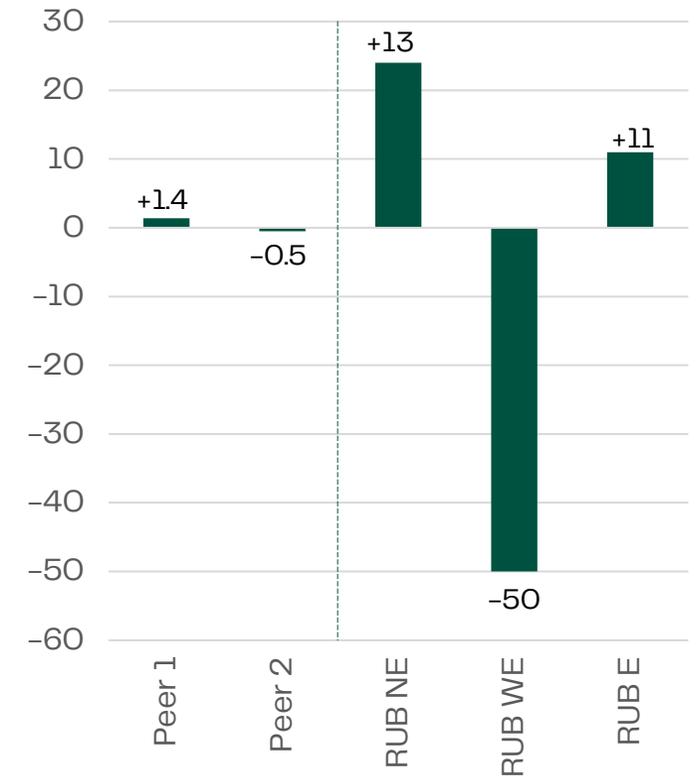
## Organic volume growth



## Organic net revenue growth



## Organic EBIT growth



# Italy

## retail sell-out data

Strong performance across categories

### **BEER:**

Market development year-to-July (value): +4.3%  
Ceres development year-to-July (value): +10.2%

### **CSD:**

Market development year-to-July (value): +12.3%  
Crodo development year-to-July (value): +19.3%

### **Energy drinks:**

Market development year-to-July (value): +20.9%  
Crodo development year-to-July (value): +6.0%

- Grew 6 pp faster than market in July

Lemon Soda Energy now third largest brand by volume in Italy

Reached 4.5% market share in Crodo stronghold in the North  
(more than double the size of the fourth largest brand)



# Financial performance

## Q2 and H1 2023

- Volumes supported by extended partnerships, while being up against tough comparable numbers
- Strong topline development supported by price increases
- EBIT declined to DKK 710 million negatively impacted by acquisitions
- EBIT margin decline explained by dilution from acquisitions and weak development in Italy and International segment
- The free cash flow increased to DKK 545 million impacted by a positive development in working capital and thereby higher operating cash flow

mDKK	Q2 2023	Q2 2022	Change	H1 2023	H1 2022	Change
Volume (mhl)	3.9	3.8	1%	6.6	6.5	2%
Net revenue	3,595	3,211	12%	6,147	5,373	14%
EBIT	536	511	5%	710	720	-1%
EBIT margin	14.9%	15.9%	-1.0 pp	11.6%	13.4%	-1.8 pp
Free cash flow	949	669	+42%	545	310	+76%



# Results for H1 2023 - business segments

**NORTHERN EUROPE**  
DENMARK, GERMANY, FINLAND, LATVIA, LITHUANIA, ESTONIA, NORWAY AND SWEDEN

<b>5.4</b> mhl	<b>4,931</b> mDKK
VOLUME (up by 10%)	NET REVENUE (up by 22%)
<b>637</b> mDKK	<b>12.9%</b>
EBIT (up by 19%)	EBIT-MARGIN (down by 0.4pp)

**WESTERN EUROPE**  
ITALY AND FRANCE

<b>0.7</b> mhl	<b>655</b> mDKK
VOLUME (down by 22%)	NET REVENUE (down by 14%)
<b>65</b> mDKK	<b>9.9%</b>
EBIT (down by 50%)	EBIT-MARGIN (down by 7.0pp)

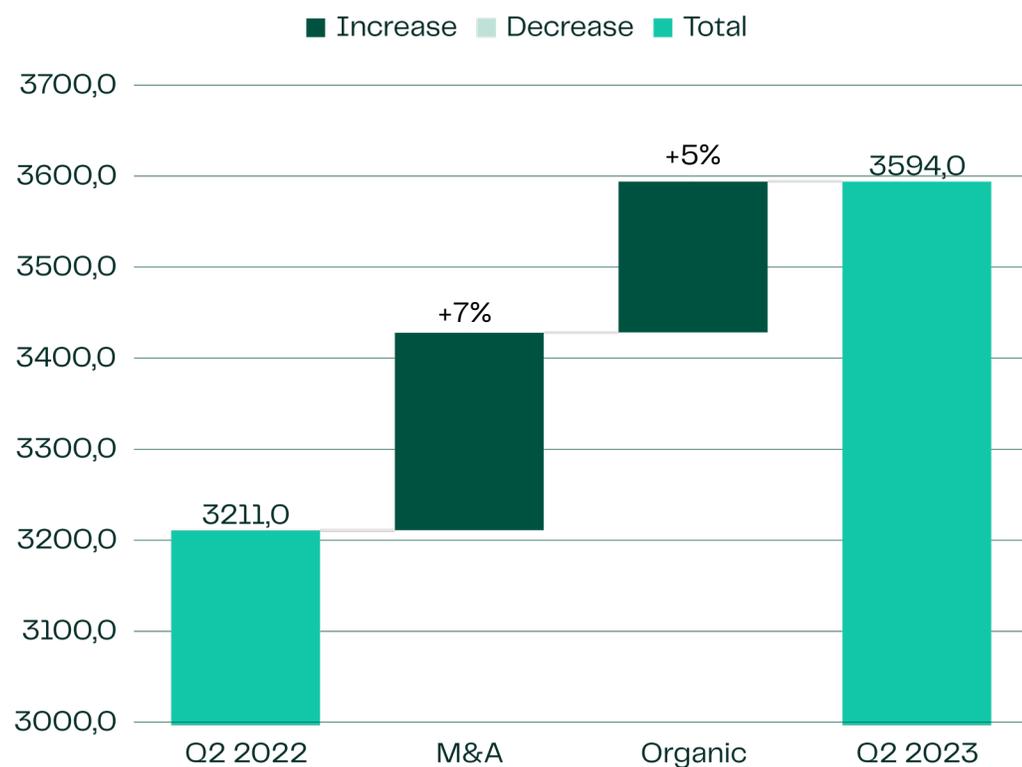
**INTERNATIONAL**  
65 MARKETS IN AMERICAS AND EMEA

<b>0.5</b> mhl	<b>561</b> mDKK
VOLUME (down by 21%)	NET REVENUE (up by 0%)
<b>25</b> mDKK	<b>4.5%</b>
EBIT (down by 63%)	EBIT-MARGIN (down by 7.5pp)

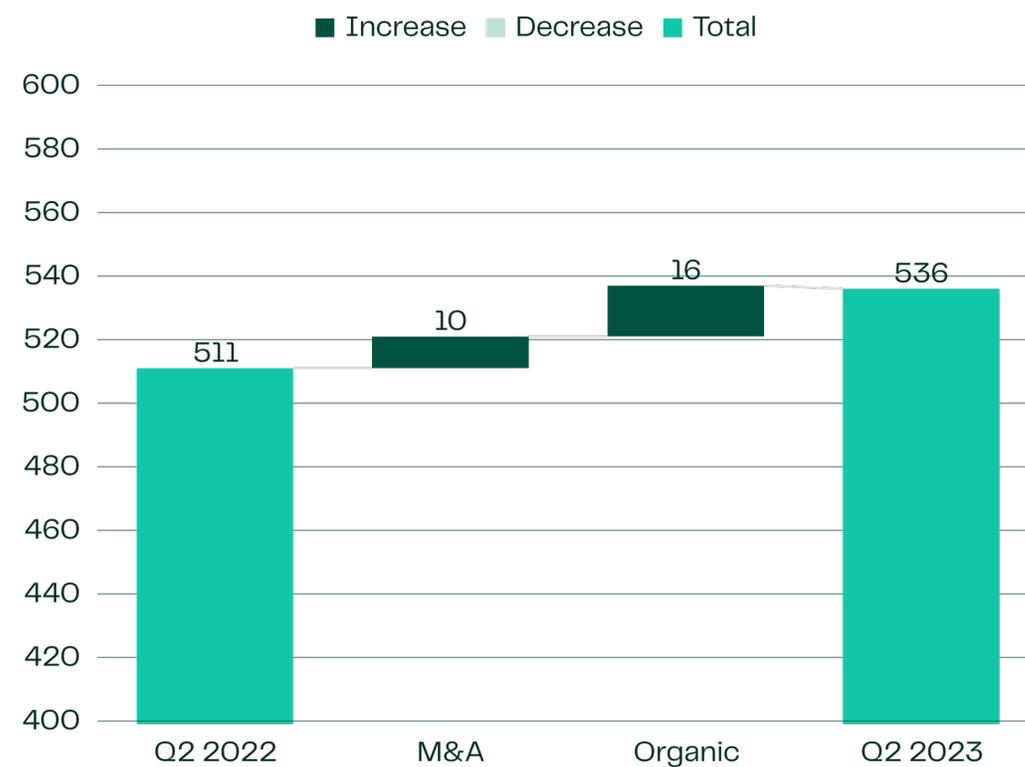


# Q2 2023 development in net revenue and EBIT

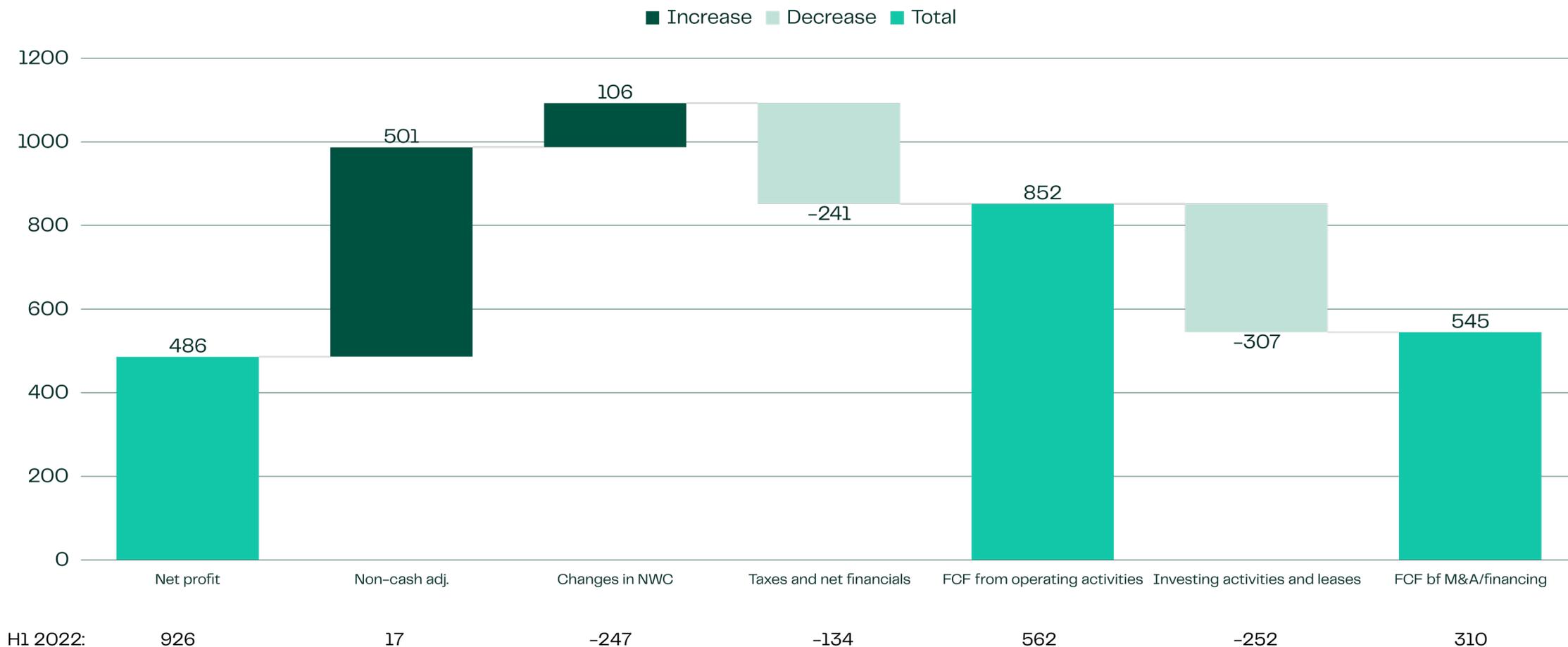
## Revenue bridge (mDKK)



## EBIT bridge (mDKK)



# Free cash flow H1 2023 (mDKK)



# Outlook 2023

- We now expect net revenue of around DKK 13 billion and EBIT in the range of DKK 1,600–1,750 million
- Expectations for net revenue reduced due to poor weather and weak currencies
- The expected EBIT range is narrowed by DKK 50 million
  - Bottom end raised because of strong performance in Nordic multi-beverage businesses
- The beverage industry is resilient, despite current uncertain environment
- Continued inflation demands further price increases
- Expected net finance expenses of around DKK 200 million
- Effective tax rate of around 21% and capex of 5–6% of net revenue

# Management agenda

- Keep monitoring consumer behavior and market developments
- Focus on cost consciousness while supporting growth
- Retain solid underlying growth
- Execute on integration of acquisitions
- Optimize production
- Secure production capacity and fulfilment of ESG ambition through focused capex investments



# Q&A



Thank you for your  
attention