

FY21 presentation

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Solid results in an eventful year

Strong progress on our strategic framework, THE PREFERRED CHOICE

- Continued market share gains
- Improving customer ratings
- Progress on our ESG journey

Best financial result ever

- Organic EBIT growth of 6%
- 10% EPS growth
- Strong free Cash Flow
- Increased distribution to shareholders

Expansion of our business through M&A

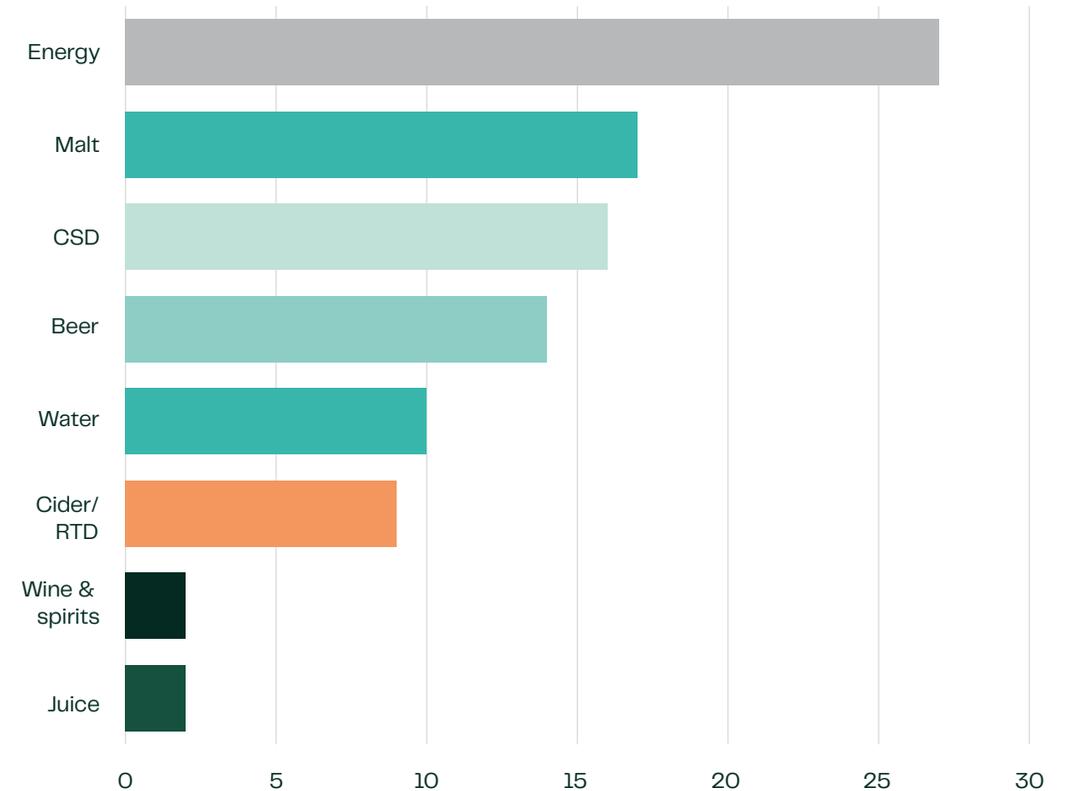
- Six acquisitions signed in 2021
- New multi-beverage platforms added in Norway and Sweden
- Very interesting entry to the French energy drink category



Strategic focus on growth categories paying off

- The energy drinks category grows significantly
- We benefit from the significant sugar conversion in CSD
- Low/no alcohol beverage demand supported by better taste profiles
- The cider/RTD category takes share from beer and spirits
- Consumers want premium quality products
- The enhanced water category continues to grow in Finland and Sweden

Organic revenue growth rates (2021 vs 2020)
(%)





Building a stronger Royal Unibrew

- Significant commercial investments directed to growth opportunities
- Creation of a true pan-Nordic multi-beverage platform
- Expanded presence in important geographies
- Continuing to pursue our target to be among the world's most sustainable beverage companies
- Enrolled in TCFD and SBTi
- Entering 2022 as a stronger company
- Focus on maximizing medium-to-long-term opportunities

Financial performance

- Organic volume growth of 9%
- Organic price/mix of 3% driven by Western Europe and Baltic Sea
- EBIT growth of 9% to a record DKK 1,652 million
- Strong free cash flow of DKK 1,296 million

mDKK	2021	2020	Change
Volume (million hectolitres)	12,332	11,093	+11%
Net revenue*	8,746	7,315	+20%
EBIT	1,652	1,515	+9%
EBIT margin (%)	18.9	20.7%	-1.8 pp
Free cash flow	1,296	1,414	-8%



Results for 2021 – business segments

Western Europe

DENMARK, GERMANY, ITALY, FRANCE, NORWAY AND SWEDEN

5,549 thl

VOLUME
(up by 19%)

4,491 mDKK

NET REVENUE
(up by 32%)

857 mDKK

EBIT
(up by 25%)

19.1%

EBIT-MARGIN
(down by 1.1pp)



Baltic Sea

FINLAND, LATVIA, LITHUANIA AND ESTONIA

5,554 thl

VOLUME
(up by 3%)

3,338 mDKK

NET REVENUE
(up by 6%)

642 mDKK

EBIT
(down by 5%)

19.2%

EBIT-MARGIN
(down by 2.3pp)



International

65 MARKETS IN AMERICAS AND EMEA

1,229 thl

VOLUME
(up by 23%)

917 mDKK

NET REVENUE
(up by 19%)

176 mDKK

EBIT
(up by 3%)

19.2%

EBIT-MARGIN
(down by 3.0pp)





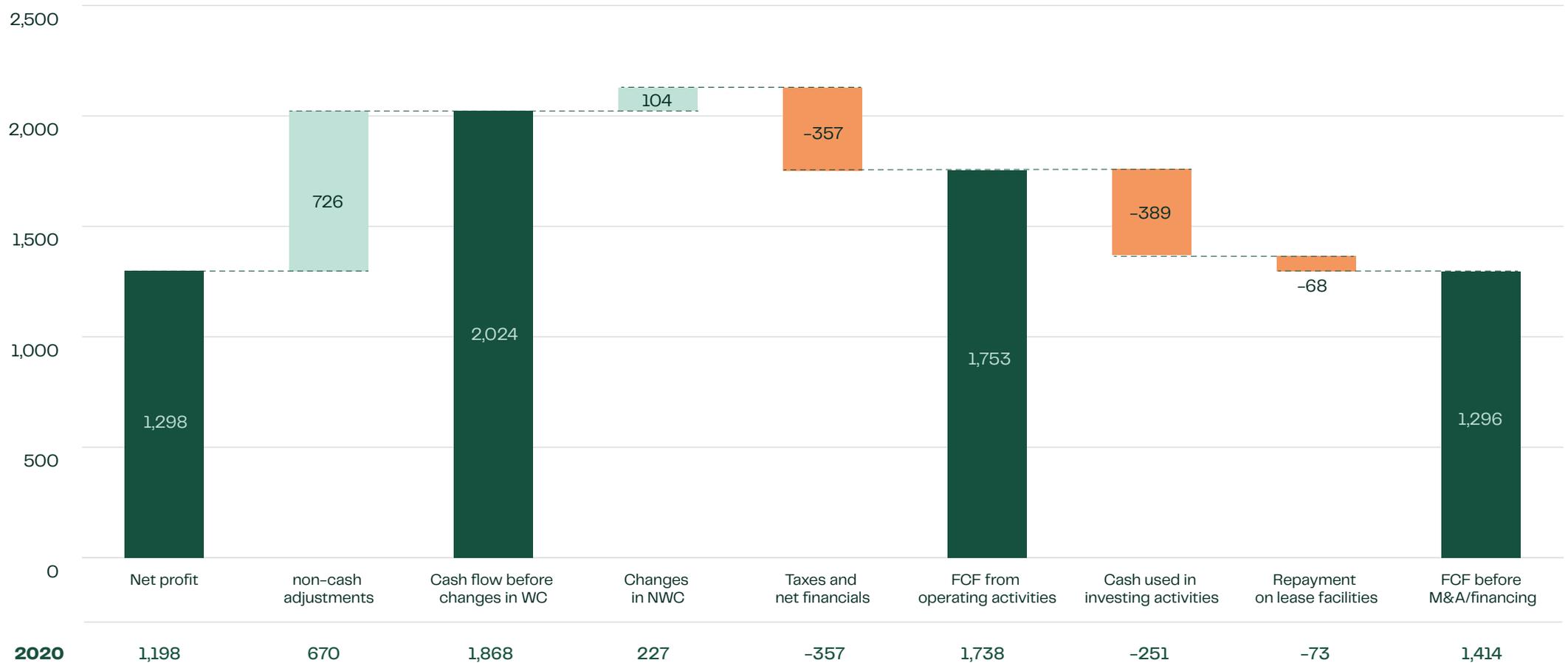
Strong underlying EBIT performance

EBIT development in 2021

DKKm



Solid cash flow in 2021



Geopolitical uncertainties

- Around 1% of our earnings directly exposed to Russia and Ukraine
- Direct exposure on some input costs like natural gas, some raw materials and glass bottles etc.
- Indirect exposure through suppliers' conversion costs on e.g. aluminium cans
- Changes to global supply chain, as many companies are moving sourcing out of affected countries

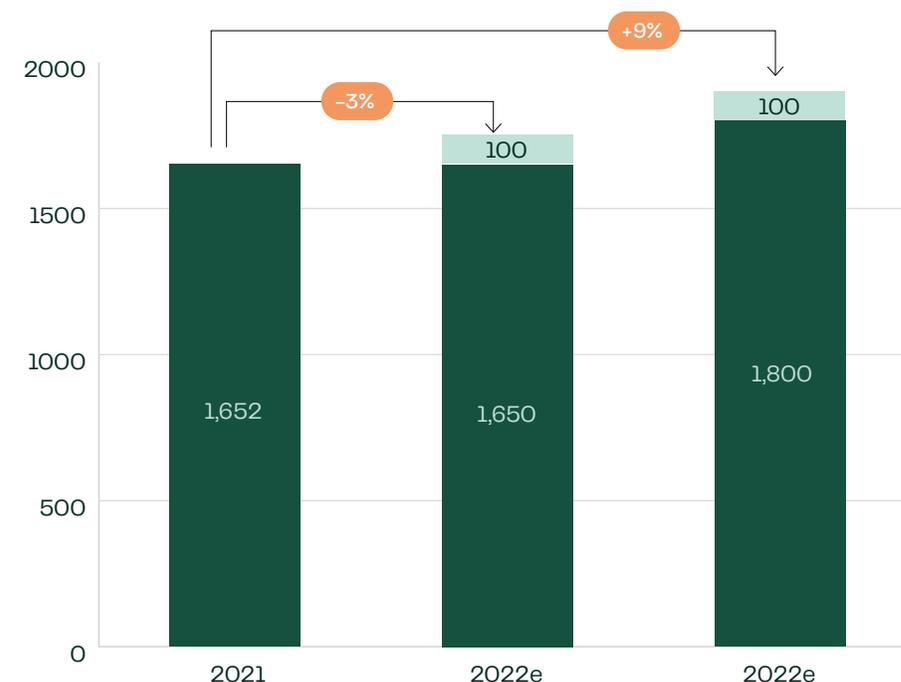


Outlook for 2022

General assumptions

- Flat gross profit per hl (input price inflation mitigated by increasing volumes, higher sales prices and better mix)
- Downtrading not assumed
- Impact from COVID-19 restrictions in Q1 2022
- Normal summer weather and travel activities
- High end of guidance: Price increases will not affect consumption, only COVID-19 restrictions in Q1 2022, and no restrictions or issues in the total supply chain in particularly in relation to access to energy, raw and packaging materials as well as logistics
- Low end of guidance: Some negative effect on consumption from price increases, increased competitive pressure and/or COVID-19 restrictions beyond Q1 2022
- Any significant input price increases due to current geopolitical uncertainties are assumed partly covered by further price increases or cost mitigations
- Capex around 5% of revenue
- Tax rate of around 21% of profit before tax, excluding income after tax from investments in associates

EBIT guidance mDKK



Outlook for 2022

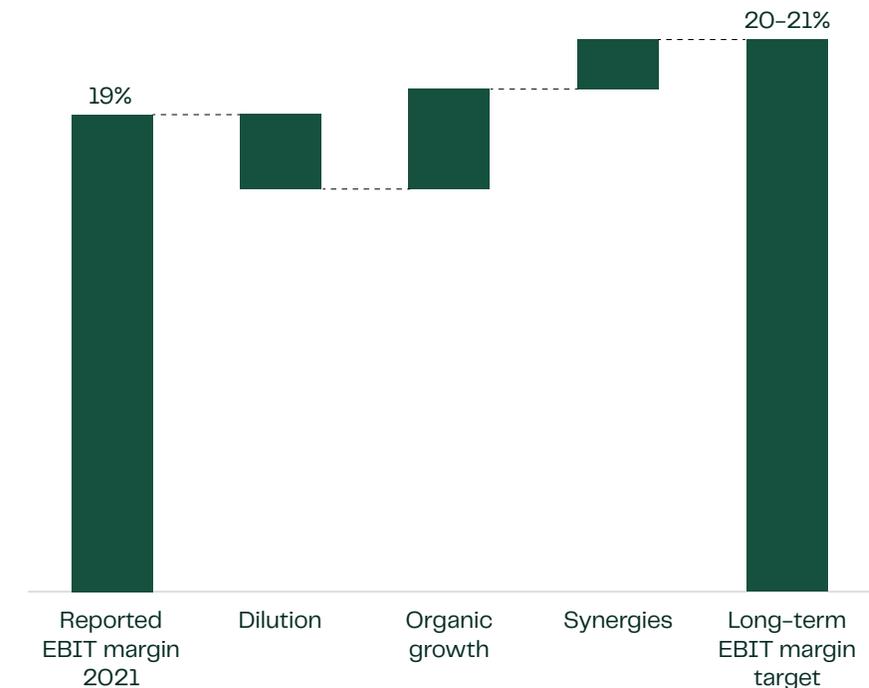
mDKK	Outlook	Actual 2021	Actual 2020
Net revenue	10,000-11,000	8,746	7,315
EBIT	1,650-1,800	1,652	1,515

Long-Term EBIT margin target of 20-21%

- Solera Beverage Group will dilute margin by around 2 pp
- Aqua d'Or and Hansa Borg will further dilute when approved
- Our well-established multi-beverage markets are expected to continue to deliver at least in-line with our target

- We want to build strong platforms for future growth in new markets
 - **Investments in organizations, IT and multi-beverage set-ups**
- Without further M&A it may take up to five years to reach long-term EBIT margin target

Target may be re-calibrated in case of further M&A depending on size and profitability



May take up to five years without further M&A activity

M&A CASE STORIES

Hartwall: Operational excellence process followed by Commercial excellence process yielding steady top line growth and significant EBIT increase

Net revenue development



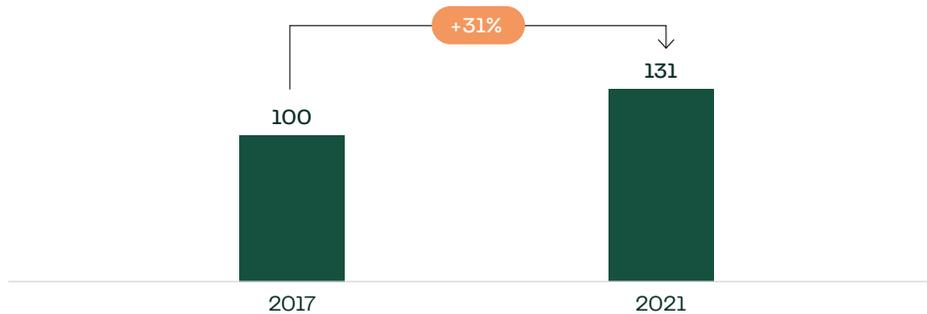
EBIT development



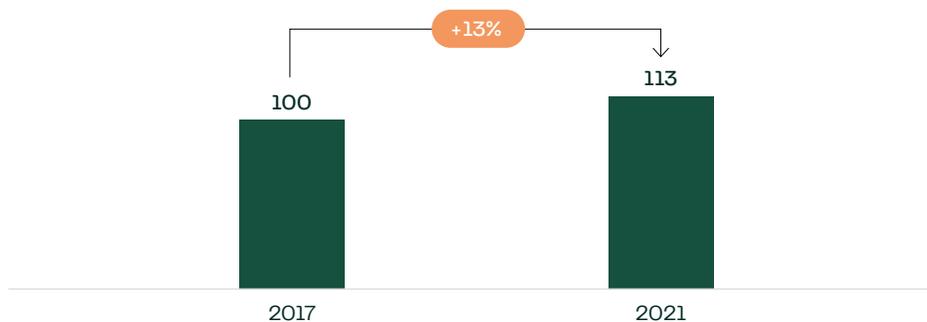
M&A CASE STUDIES

Crodo: Solid topline growth and premiumization of Crodo yields positive financial impact on our Italian business

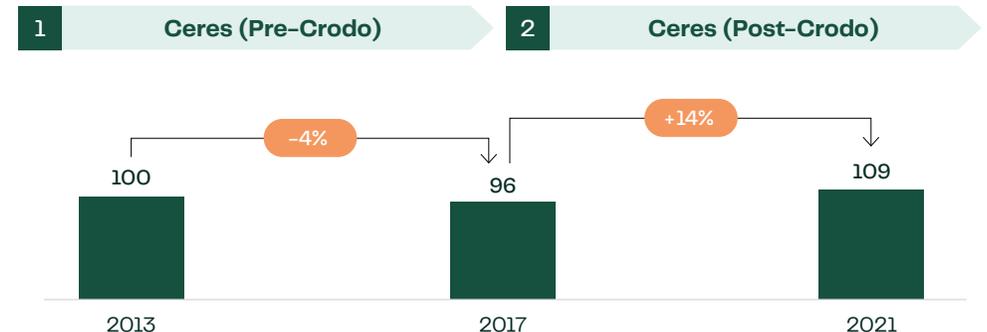
Crodo: Net revenue development



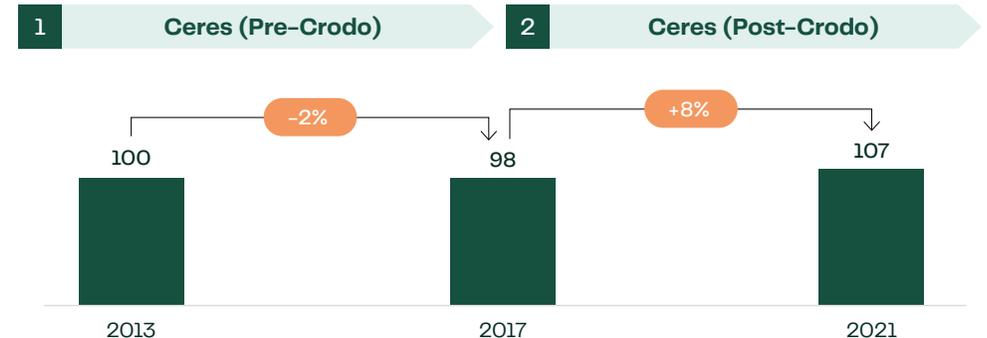
Crodo: Net revenue per hektoliter



Total Italian beer business: Net revenue development



Total Italian beer business: EBIT development



Management agenda

- Manage effects of geopolitical events
- Securing raw materials and optimizing production
- Monitor market development following price increases
- Integrate and execute on acquired businesses
- Building organizational capabilities
- Manage commercial spending to exploit growth opportunities
- Manage capex to ensure capacity and fulfillment of ESG ambitions

Q&A



**Thank you for
your attention**