



Annual Report 2020

March 3, 2021

COMPANY ANNOUNCEMENT NO 7/2021 – 3 MARCH 2021

Annual Report 2020

Statement by Royal Unibrew's CEO Lars Jensen:

"Our business strategy proved its strength in a difficult environment, as our local management model demonstrated that we were able to react quickly to the many changes in our markets and moved even closer to our customers during the challenging times. We have continued to drive the conversion from regular beverages towards low and no sugar and alcohol beverages with strong growth in brands like Faxe Kondi and Lapin Kulta. Despite the On-Trade business being closed down in large parts of the year, we succeeded in growing our above mainstream share of our business, as e.g., Lorina, Bauskas and Anarkist has shown strong growth. On that backdrop, we managed to deliver the highest EBIT, as well as free cash flow, in our company's history.

We also spent 2020 establishing a long-term ambition for the total sustainability area, which aims to move us into the front of sustainable beverage companies within the next five years. We are generally already performing well but have identified mid-term opportunities that will enhance the outcome quite significantly."

With strong performance in Off-Trade, planning and cost focus we managed to deliver the highest EBIT ever despite the negative impact from COVID-19. We increased our market shares in almost all key markets, and both our EBIT and EBITDA margin increased compared to 2019. Our free cash flow increased by 24% to DKK 1,414 million compared to 2019, and it is positively impacted by temporary effects such as the extraordinary beer campaign in Finland and COVID-19 related channel and country mix changes. The Board recommends to distribute a dividend of DKK 13.50 per share (2019: DKK 12.20 per share) in combination with a share buy-back program of up to DKK 250 million running to end of June 2021. During the summer, it will be decided whether an additional share buy-back will be initiated based on the state of COVID-19 and our financial flexibility at that point.

Despite continued high uncertainty in relation to COVID-19, we expect to deliver an EBIT in the range of DKK 1,475-1,625 million in 2021.

Income statement

Selected financial highlights and ratios

mDKK	2020	2019	Q4 2020	Q4 2019
Volumes (thousand hectolitres)	11,093	11,024	2,647	2,534
Net revenue	7,557	7,692	1,733	1,787
EBITDA	1,861	1,814	329	361
EBITDA margin (%)	24.6%	23.6%	19.0%	20.2%
Earnings before interest and tax (EBIT)	1,515	1,469	252	267
EBIT margin (%)	20.0%	19.1%	14.5%	14.9%
Profit before tax	1,505	1,458	254	267
Net profit for the period	1,198	1,140	218	222

mDKK	2020	2019	2018	2017
Net interest-bearing debt	2,193	2,705	2,522	975
NIBD/EBITDA (x)	1.2	1.5	1.5	0.7
Equity Ratio (%)	40%	37%	36%	42%

Outlook for 2021

mDKK	Outlook	2020	2019
EBIT	1,475-1,625	1,515	1,469

The Annual Report 2020 has been published via Nasdaq Copenhagen A/S and is enclosed with this announcement. The Annual Report 2020 is also available on www.royalunibrew.com.

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It will be possible for investors and analysts to follow Royal Unibrew's presentation of the Annual Report 2020 on Thursday, 4 March 2021, at 9 am (CET) by audiocast at one of the below dial-in numbers followed by the confirmation code.

Denmark: +45 32 72 04 17

UK/international: +44 (0) 2071 92 83 38
USA: +1 64 67 41 31 67
Confirmation Code: 688 81 95

Financial Calendar for 2021:

3 March 2021	Annual Report 2020
28 April 2021	Trading Statement for 1 January – 31 March 2021
28 April 2021	Annual General Meeting 2021
23 August 2021	Interim Report for 1 January – 30 June 2021
17 November 2021	Trading Statement for 1 January - 30 September 2021

Forward-looking statements:

This Annual Report contains forward-looking statements, including statements about the Group's sales, revenue, earnings, spending, margins, cash flows, inventories, 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 following words or phrases "believe, anticipate, expect, estimate, intend, plan, project, will be, will continue, likely to result, could, may, might", or any variations of such words or other words with similar meanings. Any such statements involve known and unknown risks, estimates, assumptions and uncertainties that could cause the Group's actual results, performance or industry results to differ materially from the results expressed or implied in such forward-looking statements. Royal Unibrew assumes no obligation to update or adjust any such forward-looking statements (except for as required under the disclosure requirements for listed companies) to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements. Some important risk factors that may have direct bearing on the Group's actual results include, but are not limited to: economic and political uncertainty (including interest rates and exchange rates), financial and regulatory developments, development in the demand for the Group's products, introduction of and demand for new products, changes in the competitive environment and the industry in which the Group operates, changes in consumer preferences, increasing industry consolidation, the availability and pricing of raw materials and packaging materials, cost of energy, production- and distribution-related issues, information technology failures, breach or unexpected termination of contracts, price reductions resulting from market-driven price reductions, determination of fair value in the opening balance sheet of acquired entities, litigation, pandemic, environmental issues and other unforeseen factors. New risk factors may emerge in the future, which the Group cannot predict. Furthermore, the Group cannot assess the impact of each factor on the Group's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.

Attachments

- [Unibrew_aarsrapport_2020_UK](#)
- [ROYAL-2020-12-31](#)