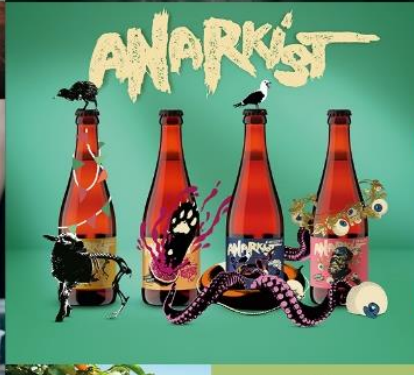




Royal Unibrew

Danske Bank Winter Seminar
02/12/2021



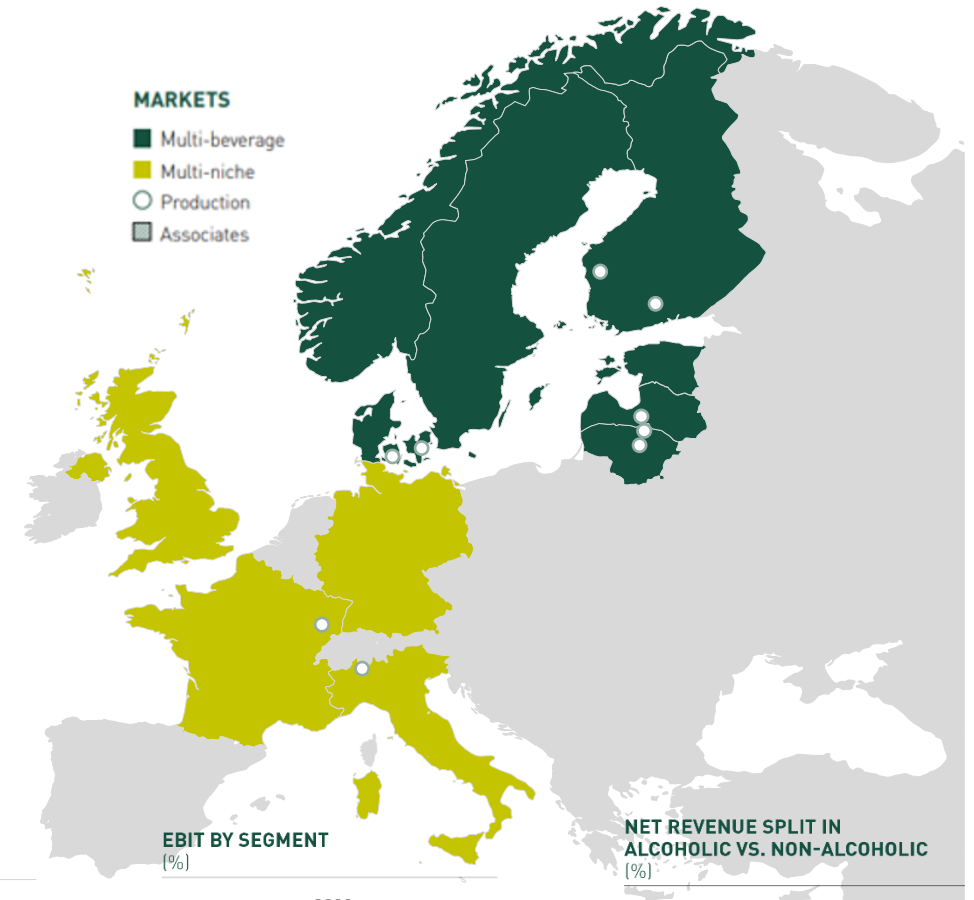
Royal Unibrew in brief

Royal Unibrew is a leading regional multi-beverage company providing strong brands to our main markets, Denmark, Finland, Norway, Sweden, Italy, Germany, France and the Baltics, as well as to more than 65 other countries in the rest of the world.

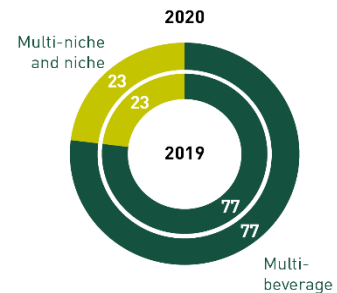
We serve our consumers by offering high quality beverages within beer, malt beverages, soft drinks, ciders, ready-to-drink, juice, water products as well as wine and spirits.

In addition to our own brands, we offer licence based international brands from PepsiCo and Heineken in Northern Europe.

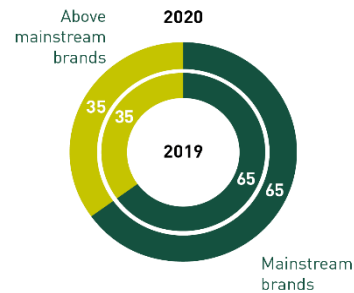
Together with our around 2,600 employees, we are facilitating great moments and enjoyment for our consumers and creating valuable partnerships with our customers – always in a responsible way.



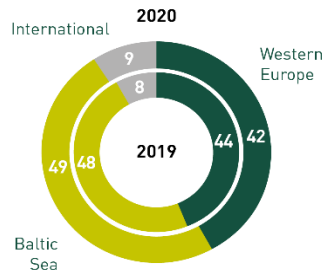
NET REVENUE SPLIT (%)



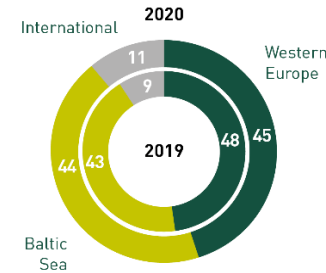
NET REVENUE BY BRAND CATEGORY (%)



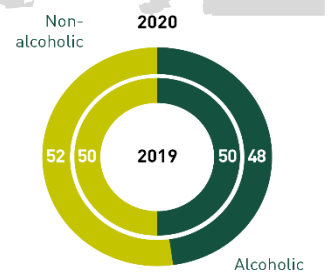
VOLUME BY SEGMENT (%)



EBIT BY SEGMENT (%)



NET REVENUE SPLIT IN ALCOHOLIC VS. NON-ALCOHOLIC (%)



The Royal Unibrew purpose and ambition

The Preferred Choice

We want to be the preferred choice of local beverage partner that challenge the status quo by doing better every day in a fun, agile and sustainable way

Our consumers

Bringing people together and facilitating great moments and enjoyment is the heart of our business. We offer strong local beverage brands in combination with global brands – continuously striving to match consumers' changing preferences through meaningful innovations and by offering a broad range of refreshments that deliver choice.

Our customers

We partner with our customers and strive to grow together by offering a portfolio of relevant brands and having a challenger mindset. With our local, decentralized setup we focus on agility and close collaboration – aiming to provide best-in-class service as well as pursuing extraordinary brand execution in all channels.

Our people

We recruit, develop and retain entrepreneurial and empowered people thirsting for success and striving to do better every day. Our people drive our success and progress – and live and protect our values. We work as one team and find solutions to all challenges.

Our shareholders

Our main focus is to invest behind the categories and channels that grow the most, pushing premiumization and driving organic EBIT growth. On top of this, we will do value accretive bolt-on, as well as strategic acquisitions if possible. We aim to increase distribution to shareholders over time through dividend and share buy-backs.

The future

We are deeply rooted in the communities where we work, and we partner with all our stakeholders to make a positive impact on society. Our focus is to build a long-term sustainable business and to minimize the environmental footprint of our operations from raw materials to the end consumption.

Royal Unibrew – Equity Story

SUPERIOR OPERATING MODEL LEADING TO CONSISTENT ABSOLUTE EBIT GROWTH

STRONG MARKET POSITION

- Leading European-based multi beverage company with strong local market positions

LOCAL MULTI BEVERAGE

- Locally anchored multi beverage business model based on volume growth, premiumization and efficiency improvements

ORGANIC GROWTH

- Targeting organic volume growth that exceeds market growth through focus on high growing categories and premiumization

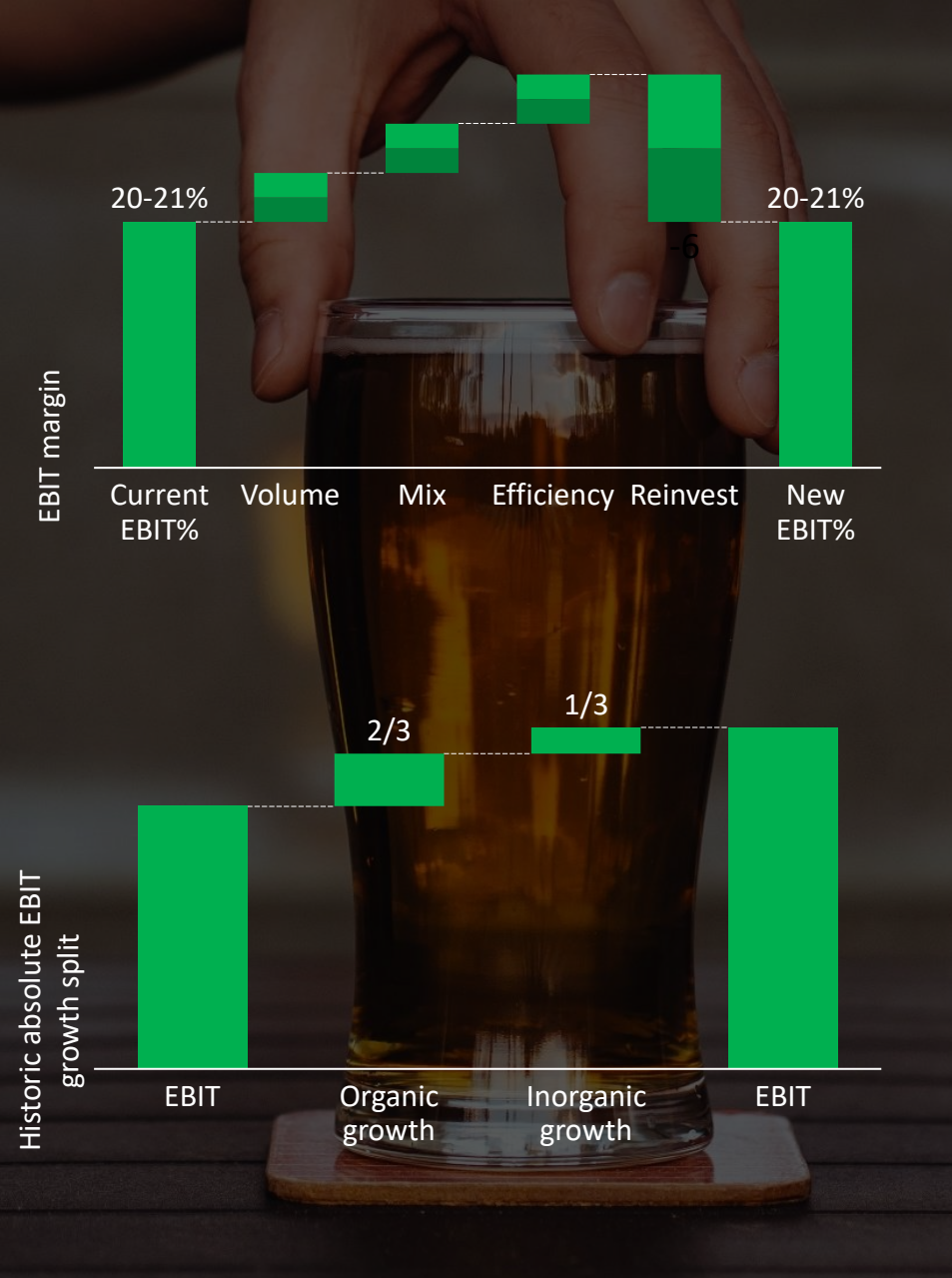
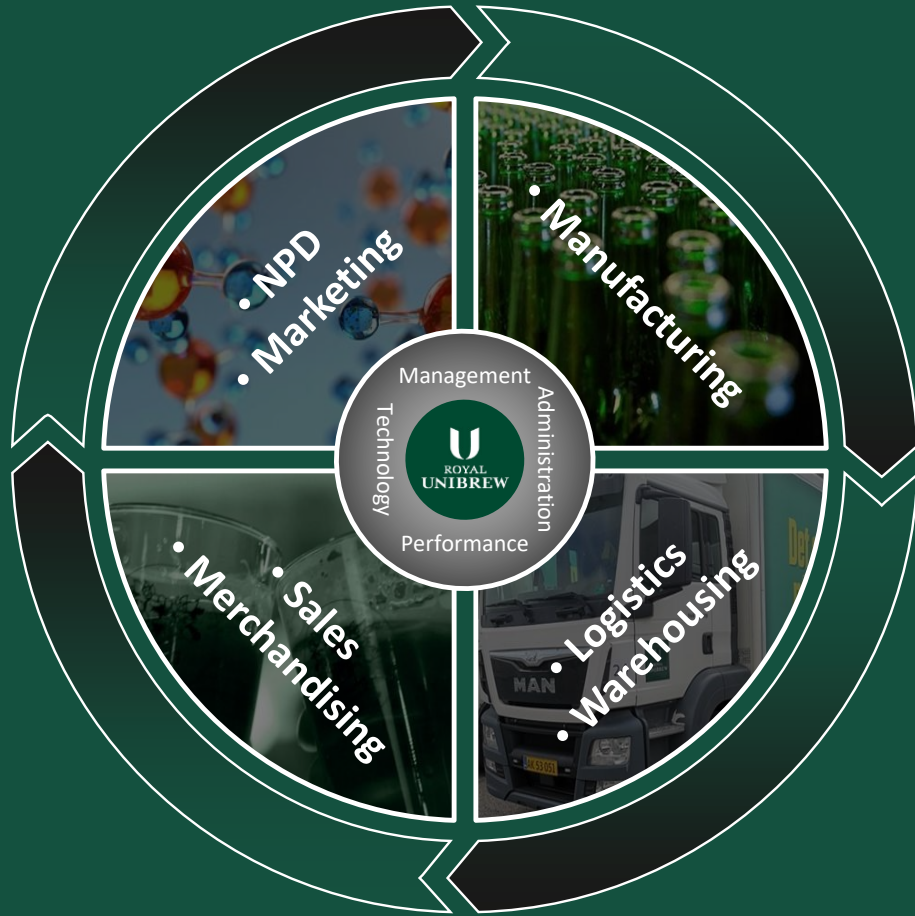
VERY CASH GENERATIVE

- Industry leading profitability supports strong cash flow generation

SUSTAINABLE COMPANY

- Ambitious targets on CSR that will bring us up among the most sustainable beverage companies in the world

The Royal Unibrew Multi Beverage Model enables efficiency, premiumization and volume



Key KPIs

Volume growth
1.5 – 2.5%



Price/mix improvement
1.5 – 2.5%



Operational leverage

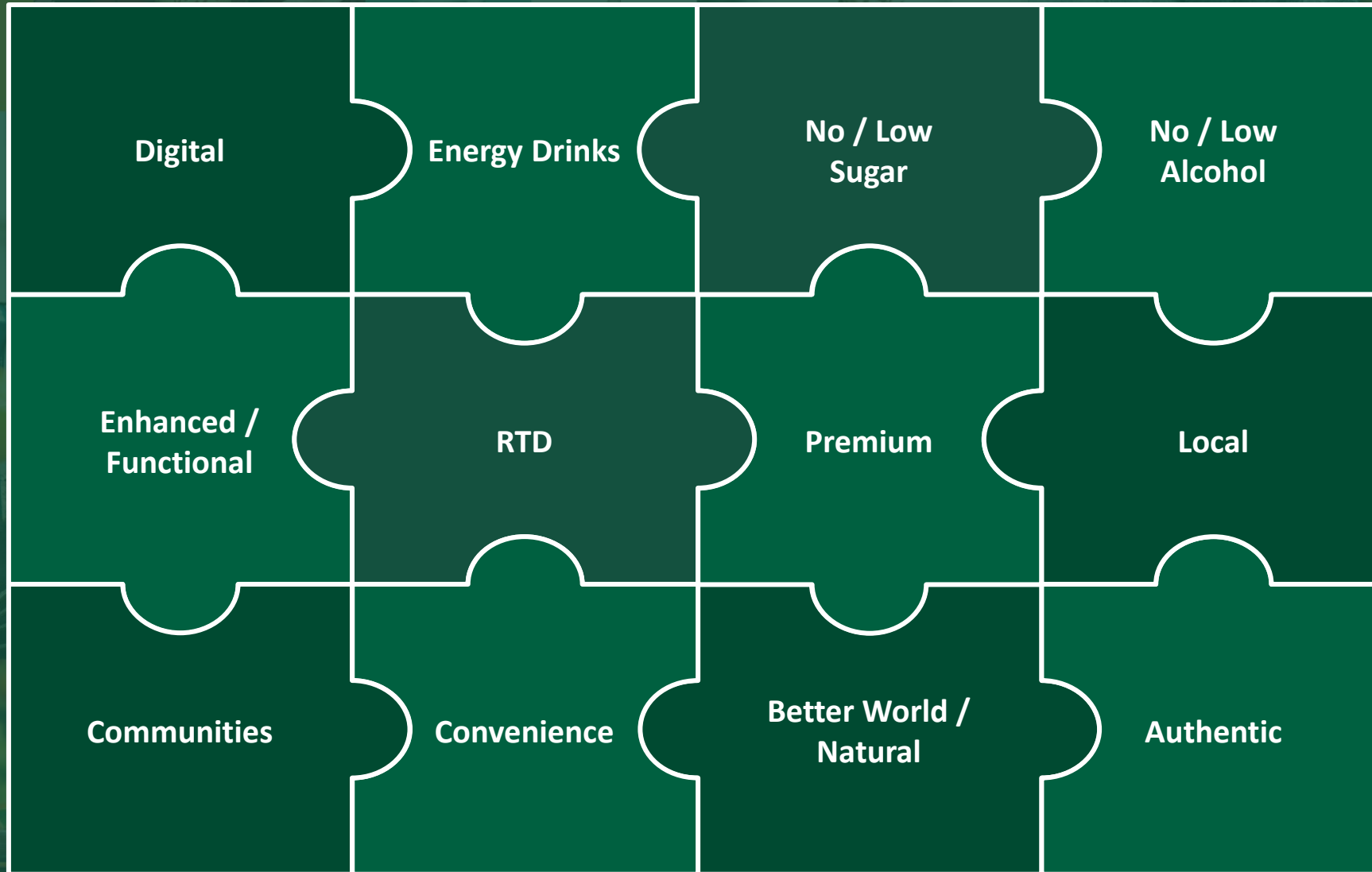


Reinvest in growth

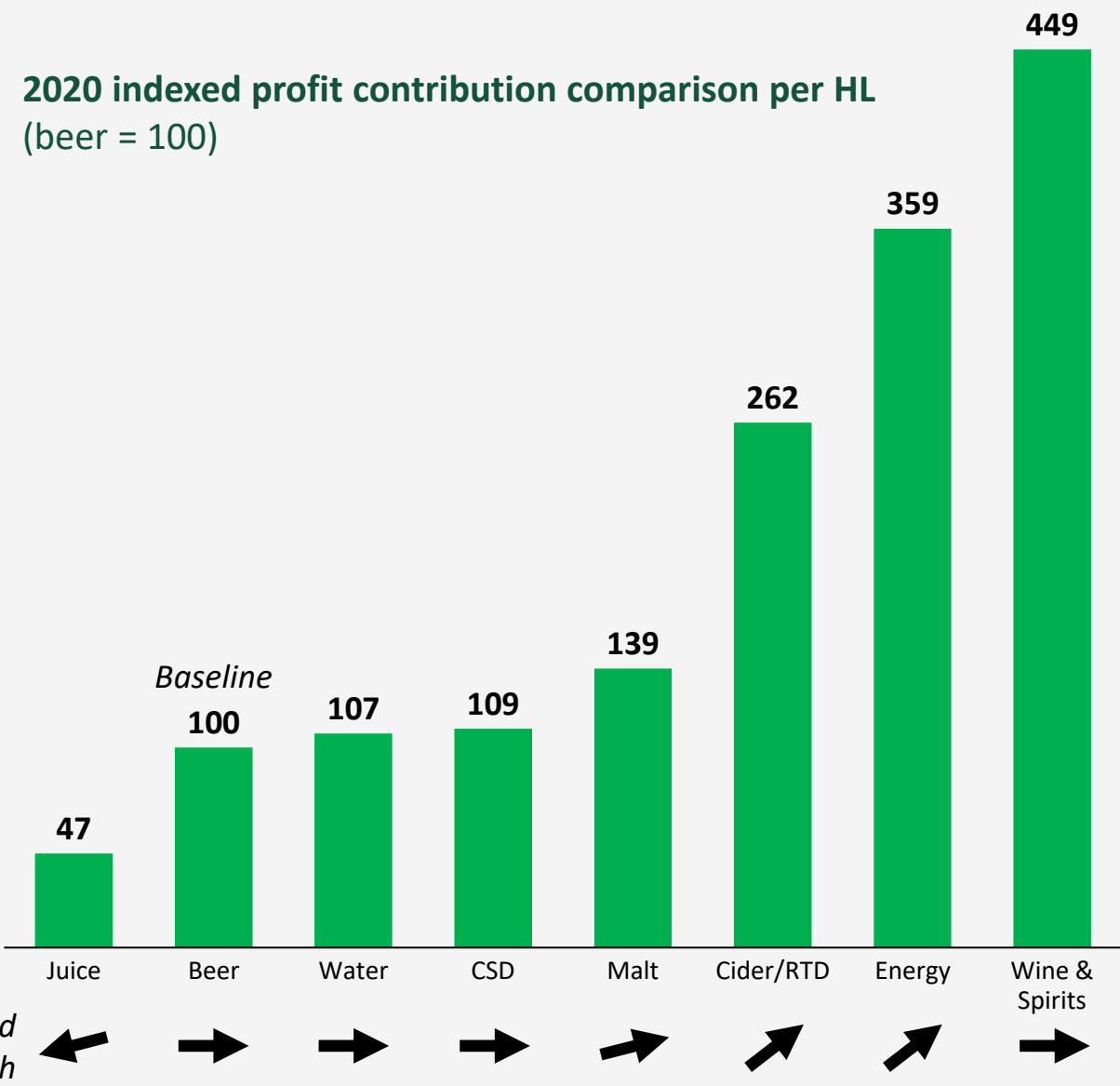
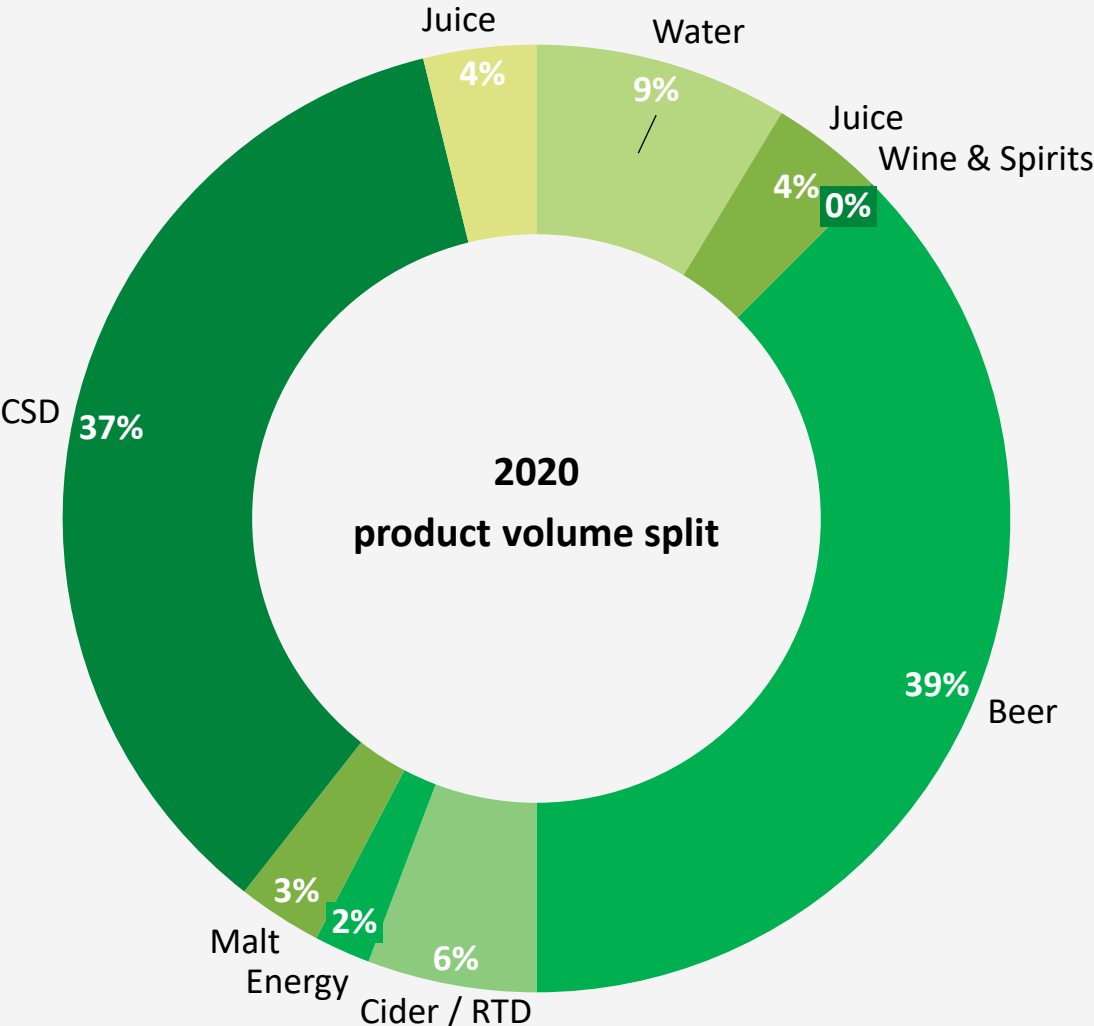


EBIT margin
20 – 21%

Royal Unibrew's Growth Drivers Framework



Focus on growth categories with above-average PC/HL



Key principles of the RU model

Local ownership

Lean HQ

Transparency and simplicity

Very little matrix – clear ownership

Agile



Multi Beverage model benefits

Volume
growth



- More sales people
- More customers
- More competitive

Premium-
isation



- Innovations focused on premium products
- Insight and competence
- Packaging capabilities
- Ability to down-prioritise low margin

Efficiency

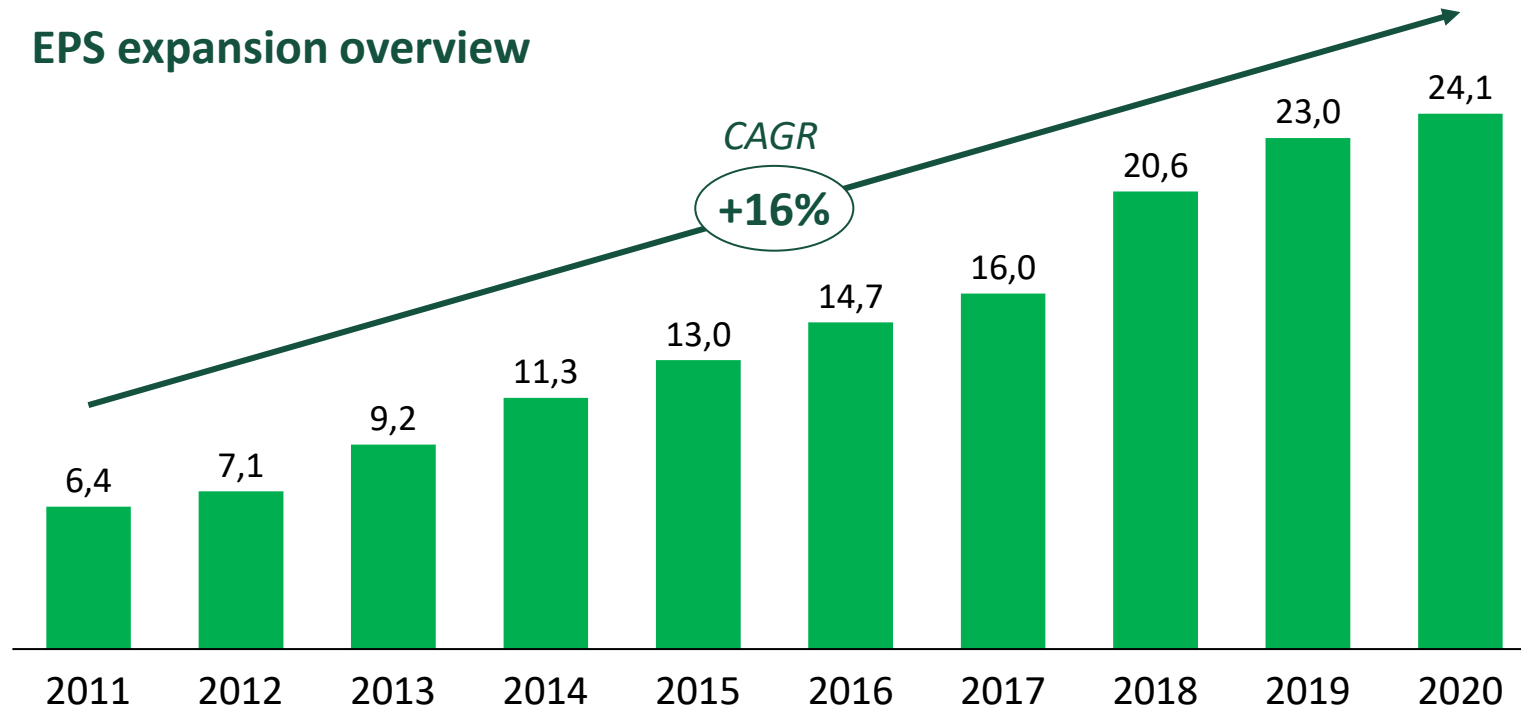


- Better utilisation of people
- Better utilisation of assets
- Larger drops

- Proven performance management system
- Shared IT system
- Shared procurement structure

The preferred choice for investors is the result of the 5 elements of our growth formula

EPS expansion overview



Volume growth



Premiumization



Efficiency



M&A



Share buyback

Q&A




ROYAL
UNIBREW

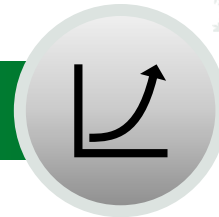
Structured M&A agenda to maintain growth momentum

Focus in Western Europe & Baltic

- Top priority is markets with existing operations
- Bolt-ons
- Leading positions in all categories
- Platforms when looking into new geographies

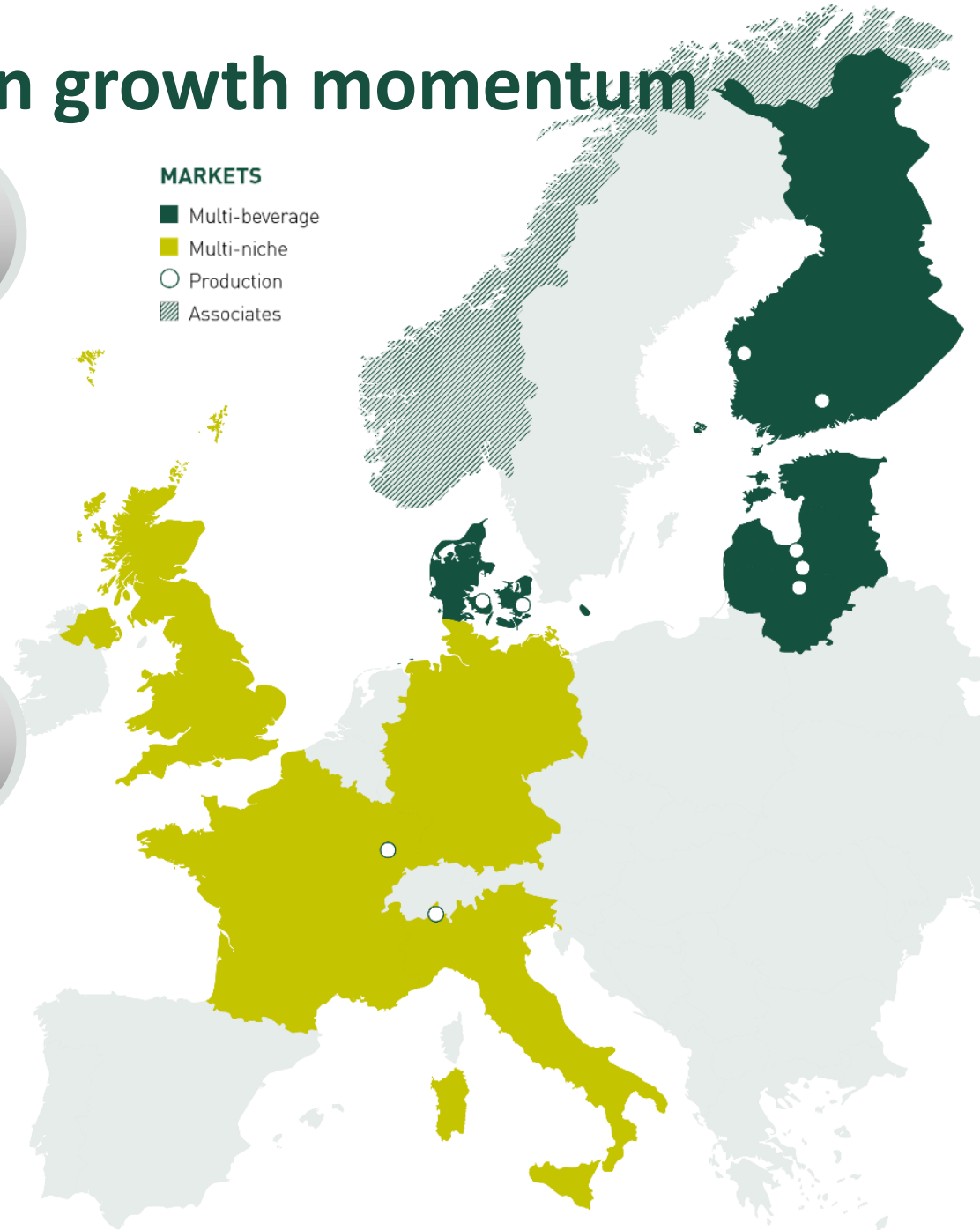
Value creation

- Integration capabilities
- Our operating model
- IT and performance management
- Multibeverage benefits



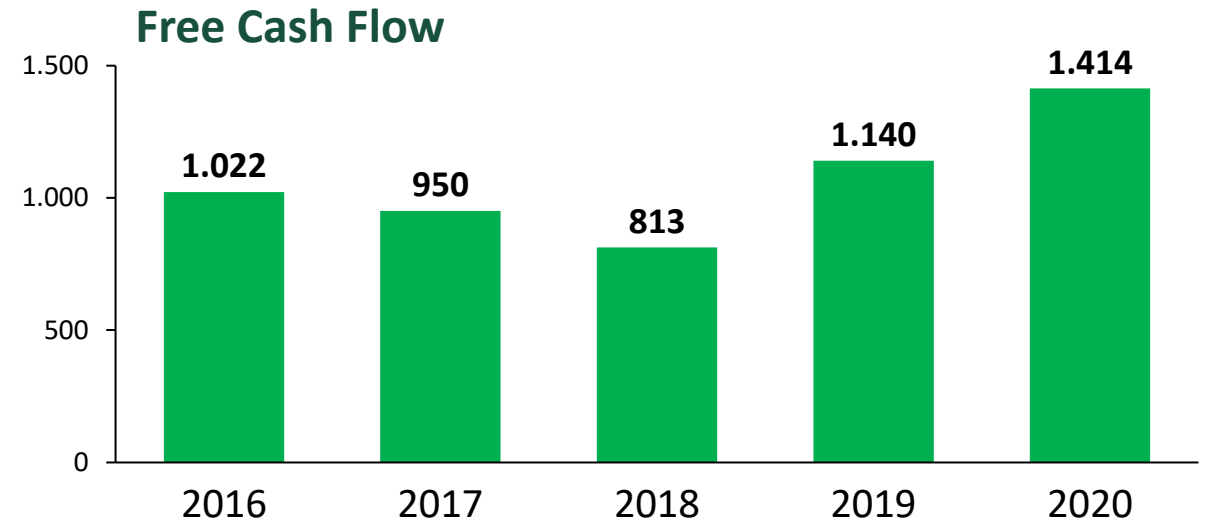
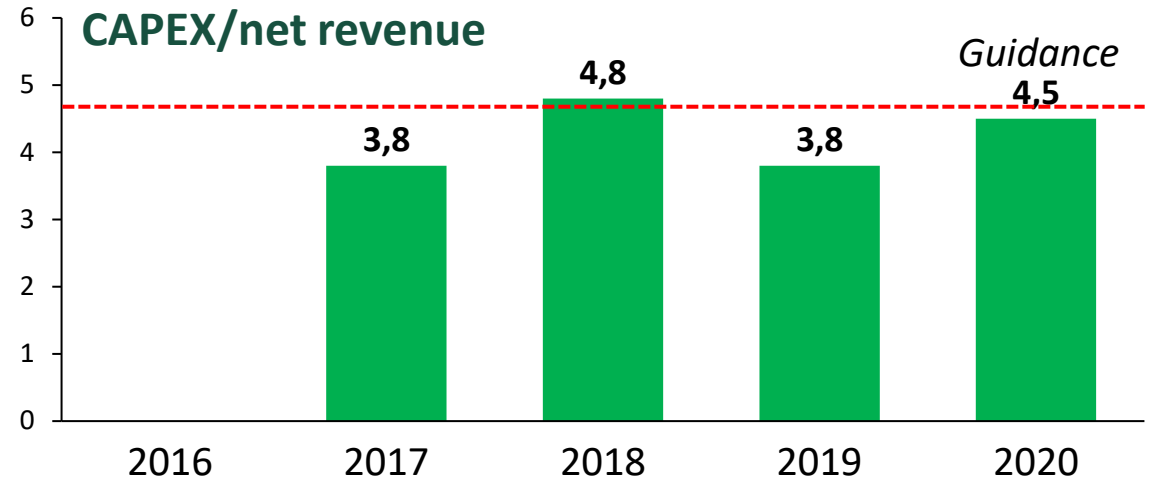
MARKETS

- Multi-beverage
- Multi-niche
- Production
- ▨ Associates



Free Cash Flow expected to remain strong

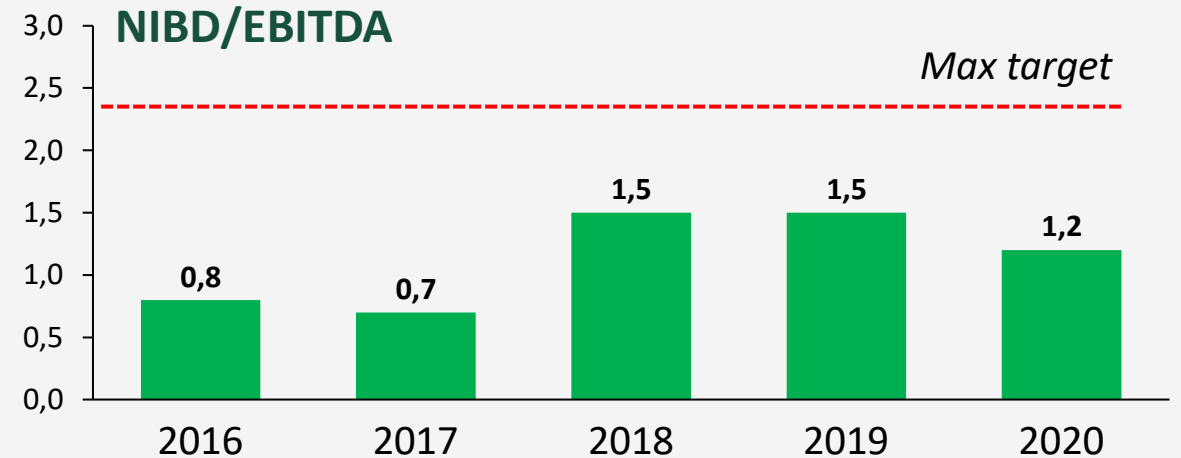
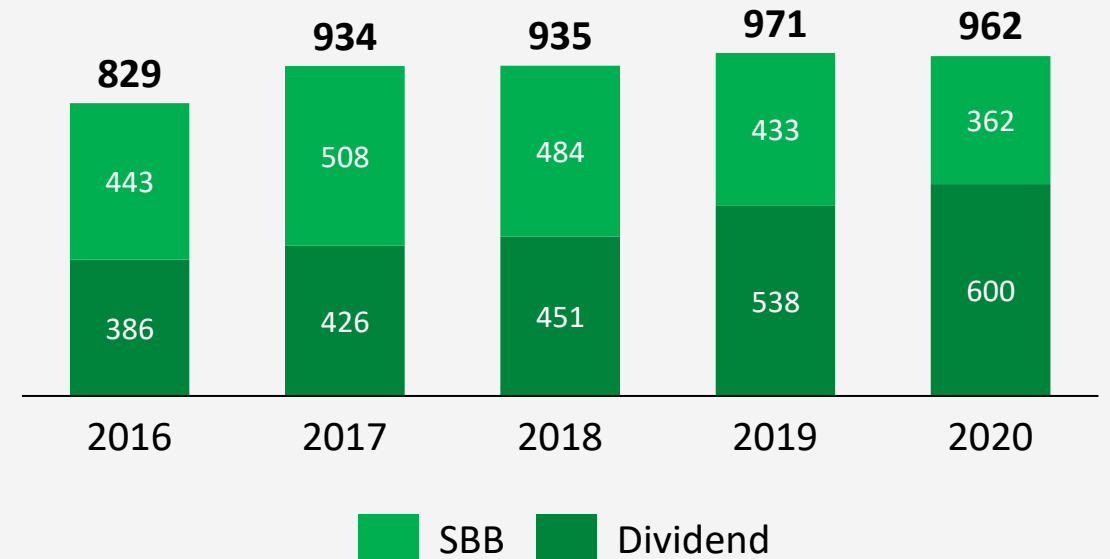
- High ability to convert profit into cash
- Target CAPEX/sales of less than 5% of revenue (including leasing)
- CSR investments may lead to additional investments
 - Electrification to remove fossil fuels
 - Solutions are not all mature
 - Several development projects ongoing



Capital allocation strategy

- Maintain financial flexibility
 - Net debt/EBITDA less than 2.5x
 - Equity ratio of more than 30%
- Invest in organic growth
- Acquisitions
- Stable dividend pay-out ratio (40-60%)
- Share buy-backs to adjust capital structure
- Management will maintain extra flexibility whilst uncertainty is high

Shareholder distribution



Royal Unibrew's ESG aspiration is to be recognized as a leading sustainable beverage company

ASPIRATION

Royal Unibrew is recognised globally as a leader in sustainable beverages – delivering strong financial performance, together with strong local engagement and a neutral CO₂ footprint.



Ambitious KPIs drive our daily performance

Our consumers & customers



No/Low

growing faster than average on the portfolio - and faster than market (YoY)

#1

partner of choice for customers as sustainable beverage supplier by 2030*

40%

of marketing budget allocated to brands/campaigns with a sustainability position by 2025

Our products



100%

carbon emission free by 2025 in scope 1 and 2**

50%

reduction in supply chain emissions (scope 1, 2, 3) by 2030

100%

recycled, recyclable or reusable packaging by 2025

Our people



100%

safety culture

80%

of employees are Royal Unibrew ambassadors by 2030

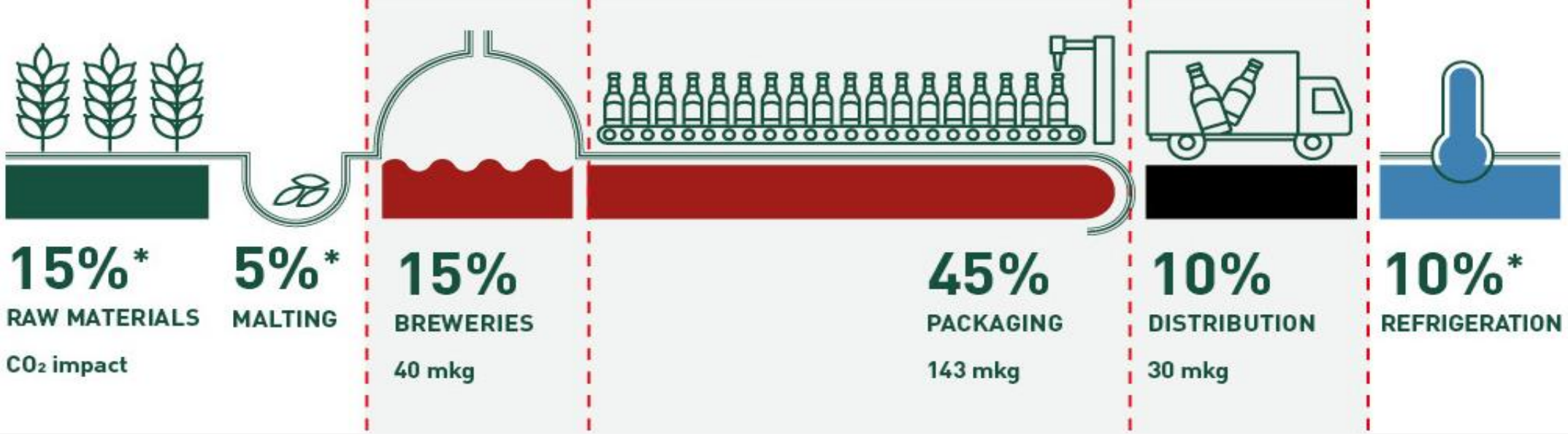
100%

sustainability culture by 2025

Disclaimer: The targets apply to our current footprint. It is our ambition that potential acquisitions will be integrated, but a grace period may be required

**Preferred choice, as related to the corporate vision; ** without distribution

Entire value chain's total emissions throughout the life cycle



Principles for reducing CO2 emission from production is:

1. Reduce energy consumption/increase energy efficiency

2. Investing in transformation of thermal energy to electrical energy

3. Actively invest in or push for additionally renewable energy in the grid

4. As a last resort and in the short to medium term either source renewable energy power or biogas or buy accredited certificates

Q&A

