



Q3 2023 Trading statement Presentation

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

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This trading statement presentation 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.

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Profitability improvement

Strong performance despite poor weather

- Poor weather in July and August resulted in an 8% organic volume decline
- Pricing discipline secured an organic price/mix of 7%
- Organic EBIT growth of 2% resulted in an EBIT margin expansion of 30bp
- Acquisitions contributed by around DKK 10 million to EBIT in the quarter
- Free cash flow of DKK 210 million negatively impacted by net working capital development
- Full-year outlook for net revenue of approximately DKK 13.3 billion (unchanged) and an EBIT of DKK 1,600–1,700 million (previously: DKK 1,600–1,750 million)



ESG highlights



- Our science based ESG targets validated by the SBTi
- Roadmaps for becoming 100% emission free (scope 1 and 2) in 2025 are finalized
- We have added more ambitious targets for our scope 3 emission reduction for 2030
- Our solar park in Faxe has already produced more than 9.8 GWh
- The biogas plant in Lahti, Finland has produced more than 2 GWh
- Specific projects established with our stakeholders to reduce the climate and environmental impact

Key developments in Q3

- Markets share gains in most markets
- Organic EBIT growth and margin expansion despite poor weather
- Good performance on the expanded partnerships with PepsiCo and Diageo
- First signs of a weaker consumer environment
- The acquisitions of Vrumona (the Netherlands) and the San Giorgio brewery (Italy) are finalized
- Weak currencies in Norway and Sweden continues to impact negatively



Financial performance

Q3 2023

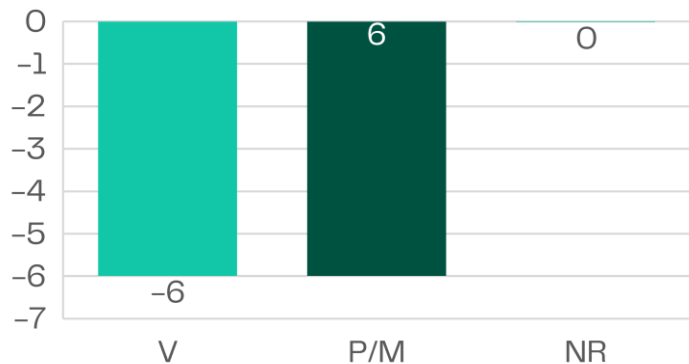
- Volumes hit by poor summer weather in July and August
- Satisfactory price/mix development secures a solid top line
- EBIT increased to DKK 507 million positively impacted by acquisitions
- First EBIT margin expansion since Q1 2021 driven by better gross margin and despite of higher depreciations
- Free cash flow declined to DKK 210 million impacted by a negative development in working capital

mDKK	Q3 23	Q3 22	Change	Q1-Q3 23	Q1-Q3 22	Change
Volume (mhl)	3.5	3.8	-7%	10.1	10.3	-1%
Net revenue	3,336	3,296	1%	9,483	8,669	9%
EBIT	507	490	3%	1,218	1,210	1%
EBIT margin	15.2%	14.9%	+0.3 pp	12.8%	14.0%	-1.2 pp
Free cash flow	210	304	-31%	755	614	+23%

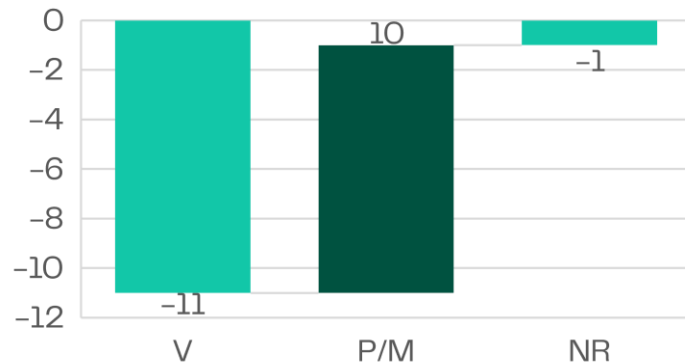


Results for Q3 2023 – business segments

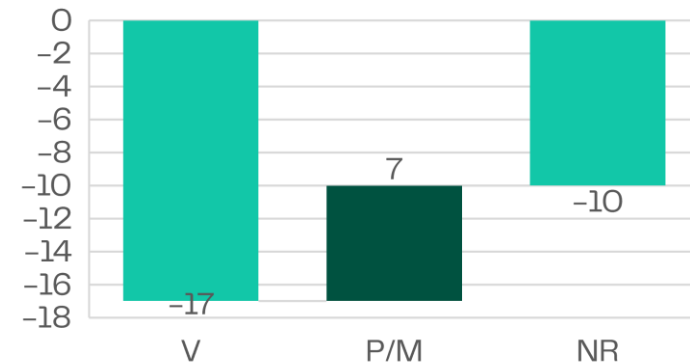
Northern Europe



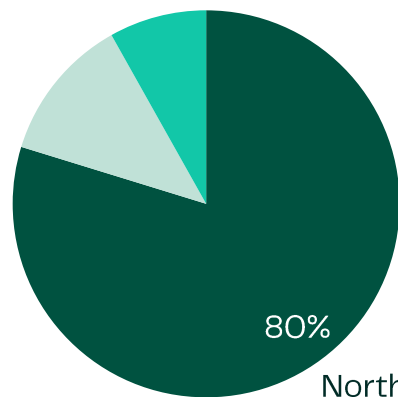
Western Europe



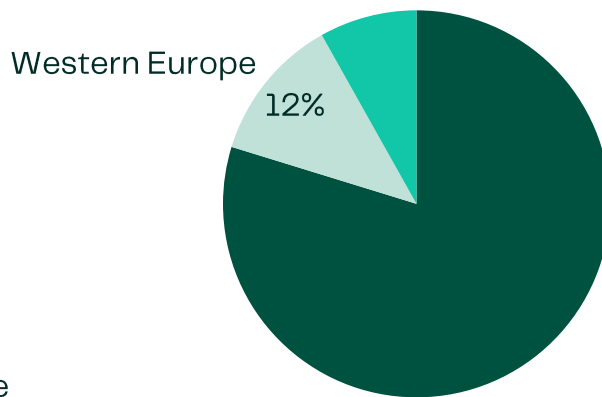
International



Share of volume

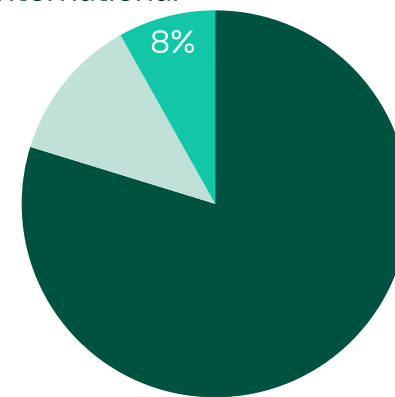


Northern Europe



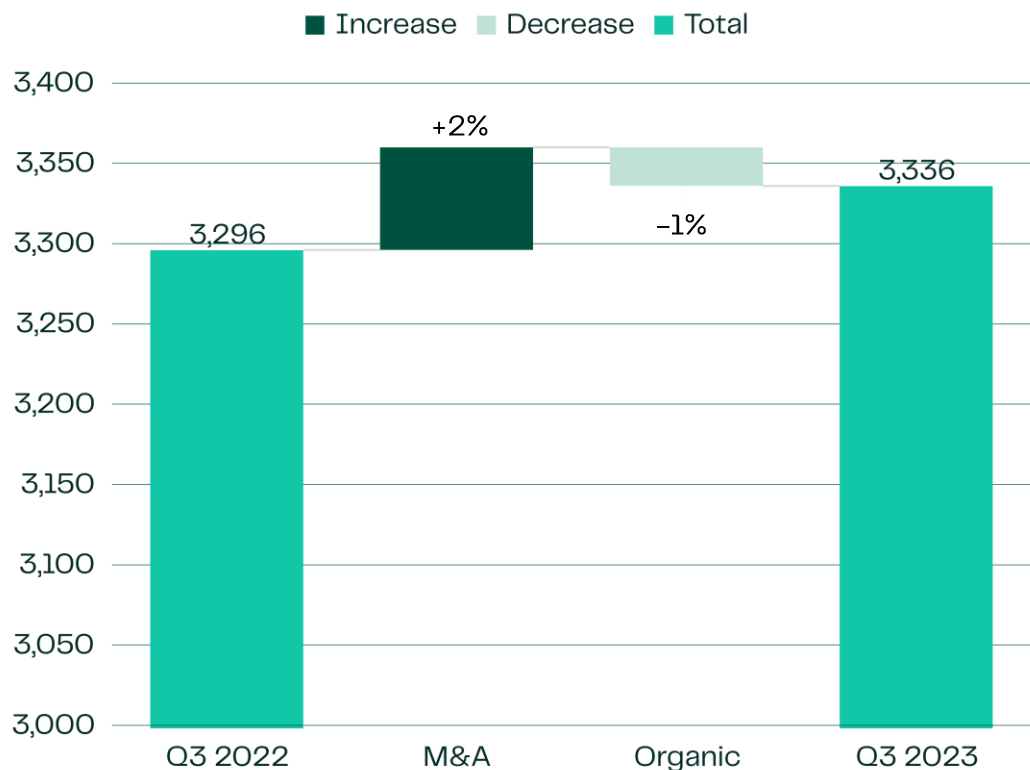
Western Europe

International

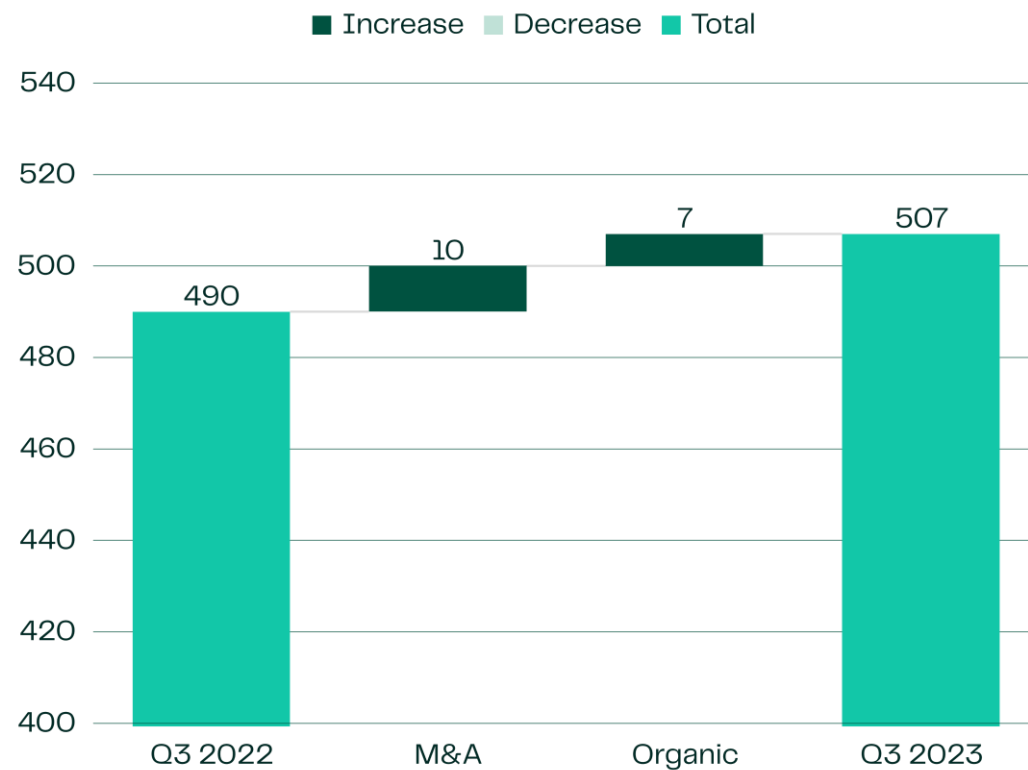


Q3 2023 development in net revenue and EBIT

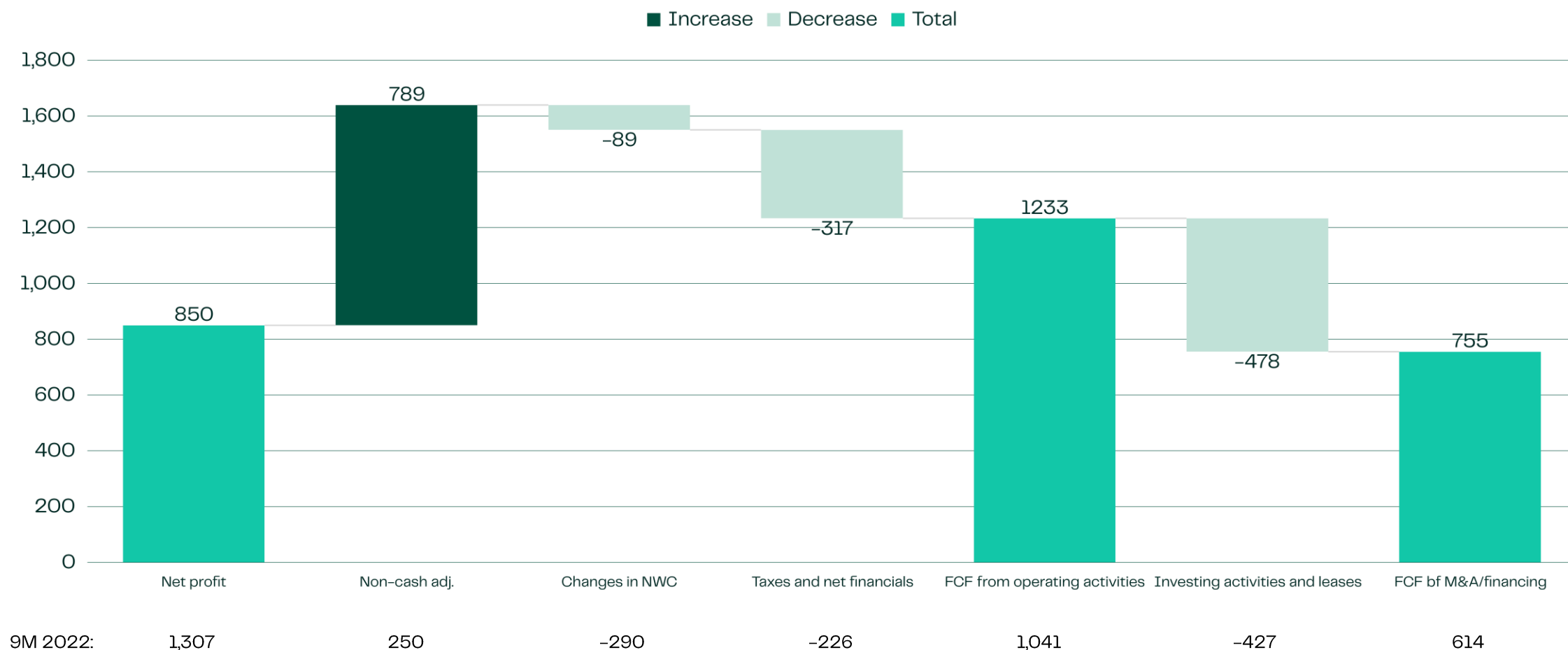
Revenue bridge (mDKK)



EBIT bridge (mDKK)

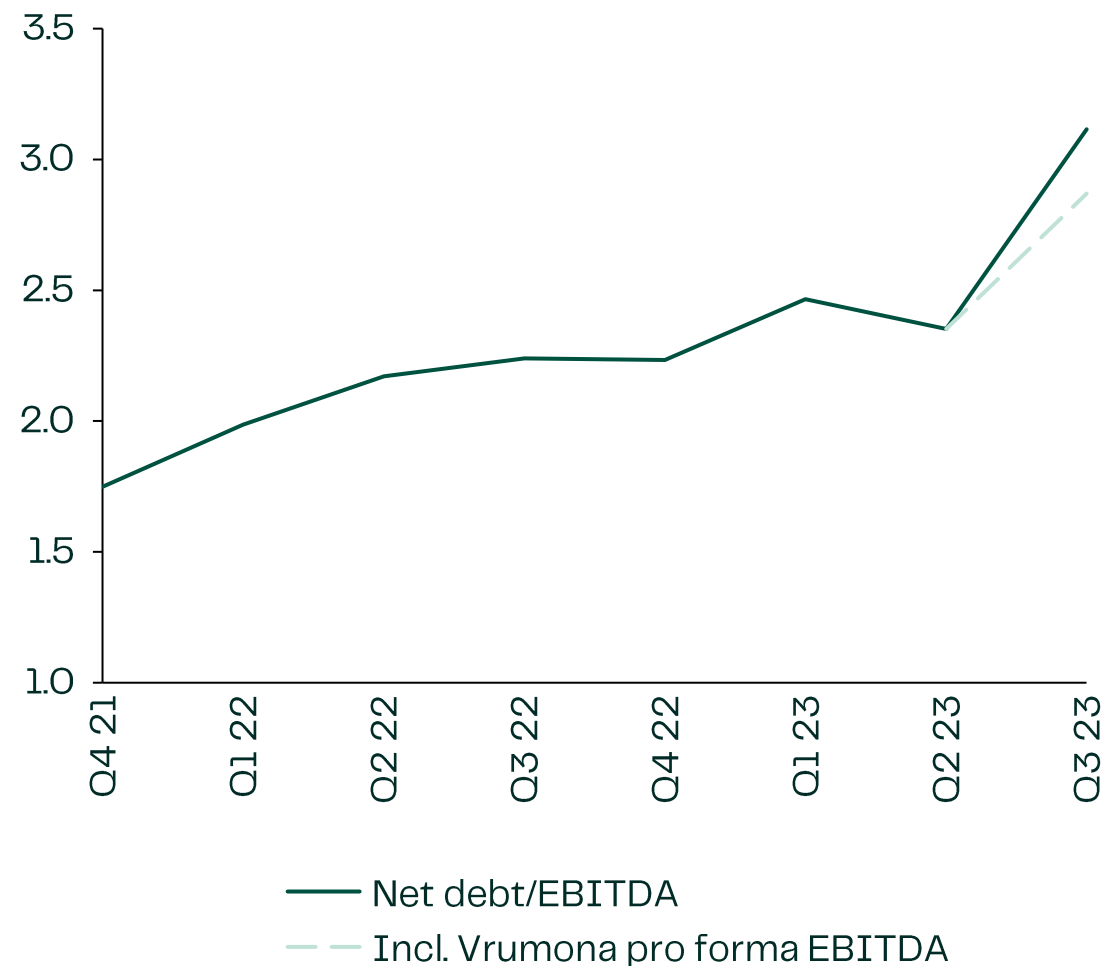


Free cash flow 9M 2023 (mDKK)



Financial leverage – net debt/EBITDA

- Net debt/EBITDA reached 3.1x end of Q3 2023 due to acquisition of Vrumona
- Including 12 months of pro forma EBITDA from Vrumona, net debt/EBITDA was 2.9x end of Q3 2023
- Sale of 430,000 existing treasury shares in September as part of the financing of the acquisitions of Vrumona and San Giorgio
- Our operating model is very cash generative
- Focus is on bringing down leverage to regain financial flexibility
- Our target is to be below 2.5x net debt/EBITDA and we aim to be around 1.5x
- No plans of initiating share buy-backs



Outlook 2023

- Full-year outlook for net revenue of approximately DKK 13.3 billion (unchanged) and an EBIT of DKK 1,600–1,700 million (previously: DKK 1,600–1,750 million)
- Net finance expenses, excluding currency related losses or gains, are now expected to be around DKK 220 million (previously: around DKK 200 million) for the full-year
- First signs of a weaker consumer environment expected to continue through Q4 of 2023 and into 2024
- Total costs are expected to remain high for the remainder of the year and going into 2024
- Expectations on newly acquired companies:
 - Vrumona EBITDA is expected to reach around EUR 20 million in 2024
 - San Giorgio benefits are not expected to impact EBIT until 2025
- The effective tax rate for 2023 expected to be around 21%
- Capex for 2023 is expected to be 5–6% of net revenue

Management agenda

- Keep monitoring consumer behavior and market developments
- Striking the balance between growth opportunities and cost consciousness
- Reduce balance sheet leverage to regain financial flexibility
- Execute on integration of acquisitions
- Managing the cost pressure
- Utilize new production footprint



Q&A



**Thank you for your
attention**