



# Royal Unibrew

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SEB Nordic seminar theme

# Taking off in turbulent weather

# Royal Unibrew's Strategic Pillars

## The Preferred Choice



- Taste
- Local
- Health
- Availability

- Diverse portfolios
- Agile collaboration
- Local
- Market challenger

- Sustainability
- Product circularity
- Partnerships
- Green energy

- Entrepreneurial
- Solution-oriented
- Ownership
- Fun

- Investments
- Acquisitions
- Distributions
- EBIT growth

# Royal Unibrew in brief

Royal Unibrew is a leading regional multi-beverage company with strong local brand portfolios in our main markets in the Nordic region, the Baltic countries, the Netherlands, Italy, France and Canada. In addition, our products are sold in more than 70 countries in the rest of the world.

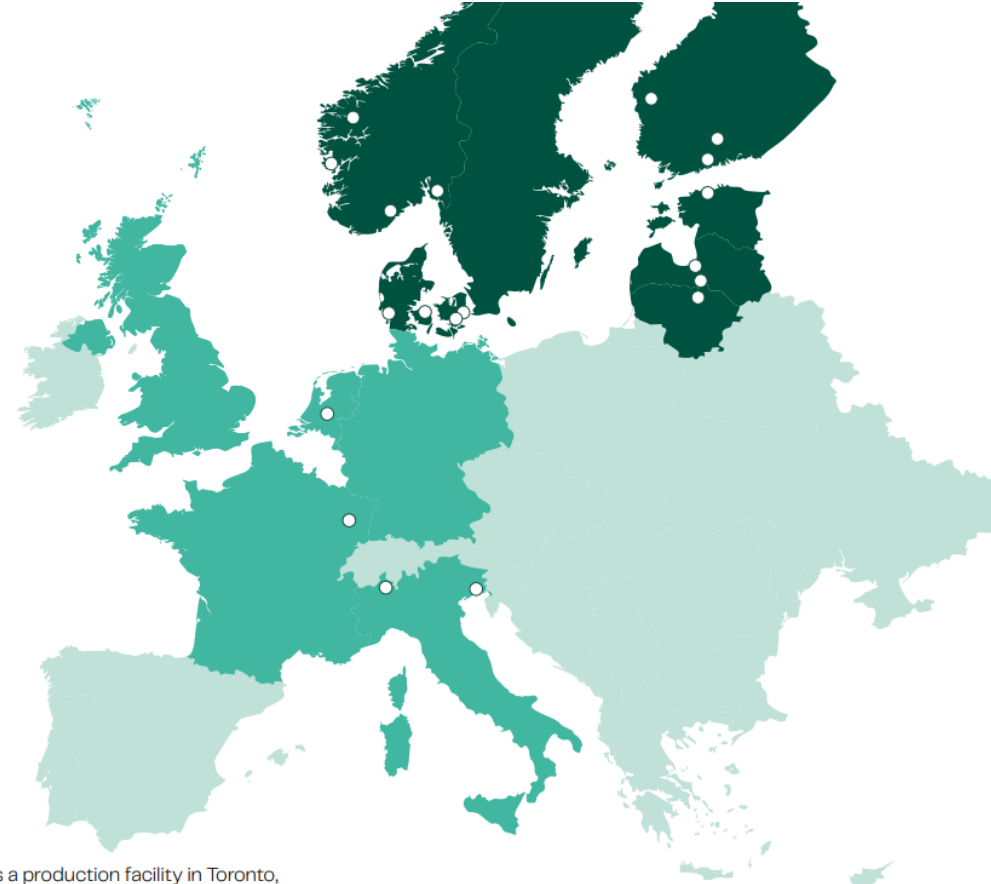
We want to offer our customers and consumers a broad portfolio of high-quality beverages, which accommodates their demands over a wide range of categories, including beer, soft drinks, malt beverages, energy drinks, cider/RTD, juice, water, wine and spirits. By offering a broad and deep portfolio across categories, we strive to provide choices for every occasion.

Our business is based on a solid foundation of strong local brands. In our largest markets, Denmark, Finland, the Baltic countries, Italy, the Netherlands and Norway, our local brands are accompanied by well-known international brands on license (such as PepsiCo and Heineken) and trading brands (such as Diageo). In some of our smaller markets, like Canada and Sweden, our offering consists of a mix of our own brands and agency brands.

We want to be THE PREFERRED CHOICE as local beverage partner that challenge the status quo by doing better every day in a fun, agile and sustainable way, creating good and enjoyable moments for our consumers.

## Markets

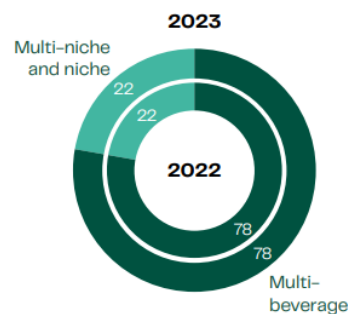
- Multi-beverage
- Multi-niche
- Production\*



\* Royal Unibrew also has a production facility in Toronto, Canada from the acquisition of Amsterdam Brewery.

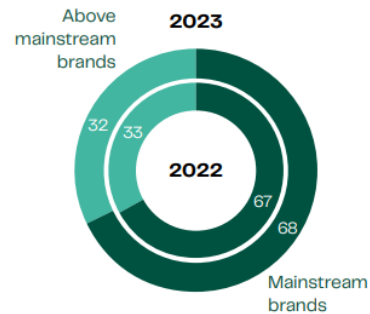
## Net revenue split

(%)



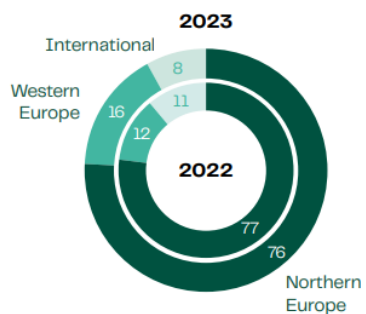
## Net revenue by brand category

(%)



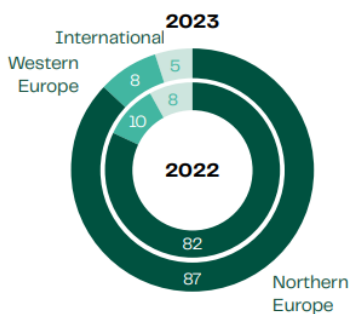
## Volume by segment

(%)



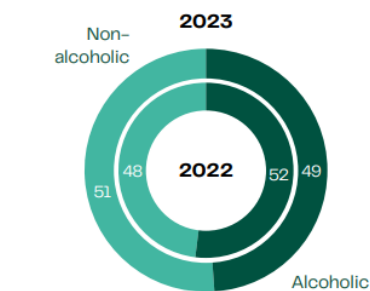
## EBIT by segment

(%)



## Net revenue split in alcoholic vs. non-alcoholic

(%)



# Overall ESG KPIs



## 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  
Not measured yet in all markets

**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\*

92%

**50%**

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

10-12%

**100%**

recycled, recyclable or reusable packaging by 2025

96%



## Our people



**100%**

safety culture

67%

**80%**

of employees are Royal Unibrew ambassadors by 2030

76%

**100%**

sustainability culture by 2025



Disclaimer: The targets apply to our current footprint. It is our ambition that our acquisitions will be integrated, but a grace period may be required  
\* without distribution and biogenic emissions

# Our value creation formulae – robust in “turbulent weather”

Premiumization

1,5-2%

Volume growth

2-4%

Operational efficiency

2-4%

Share buy-backs

1-2%

Mergers & acquisitions

2%

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EPS growth

10-14%

Long-term organic EBIT growth target of 6-8%

# Growth framework remains unchanged as growth and margins are higher than Group averages



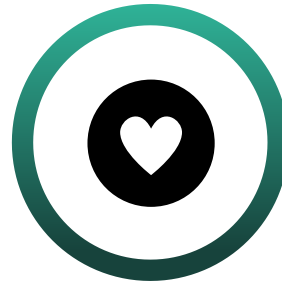
**Energy**



**Premium**



**Low / No Sugar**



**Low / No Alcohol**



**RTDs, Ciders,  
Cocktails**



**Enhanced Waters**

**Our overall growth categories**



**Low / No Sugar**



**Premium**



**Low / No Alcohol**



**Energy**



**Enhanced Waters**



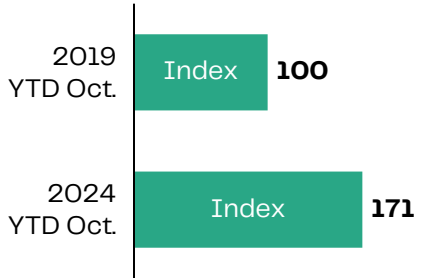
**RTDs, Ciders, Cocktails**

**Growth case examples: Absolute hectolitres volume output**

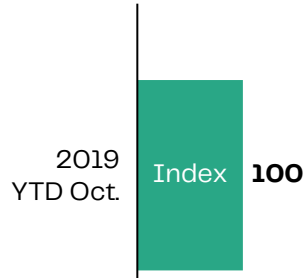


**Group**  
volume index

Low / no sugar  
category across Group

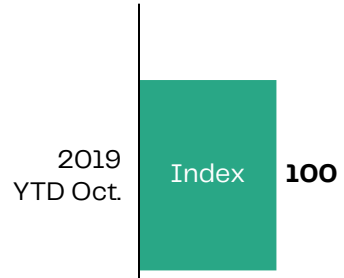


**Italy**  
volume index

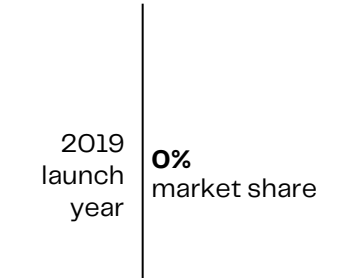


**Group**  
volume index

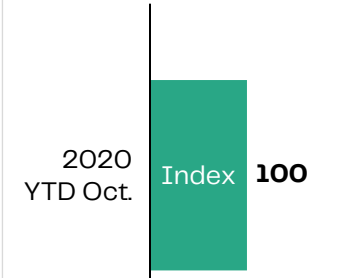
Low / no alcohol  
category across Group



**Baltics**  
market share

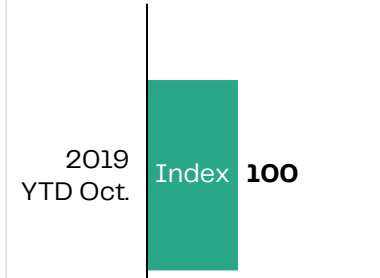


**Netherlands**  
volume index

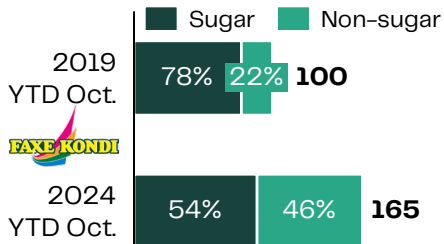


**Norway**  
volume index

RTDs, Ciders and  
Cocktails in Norway



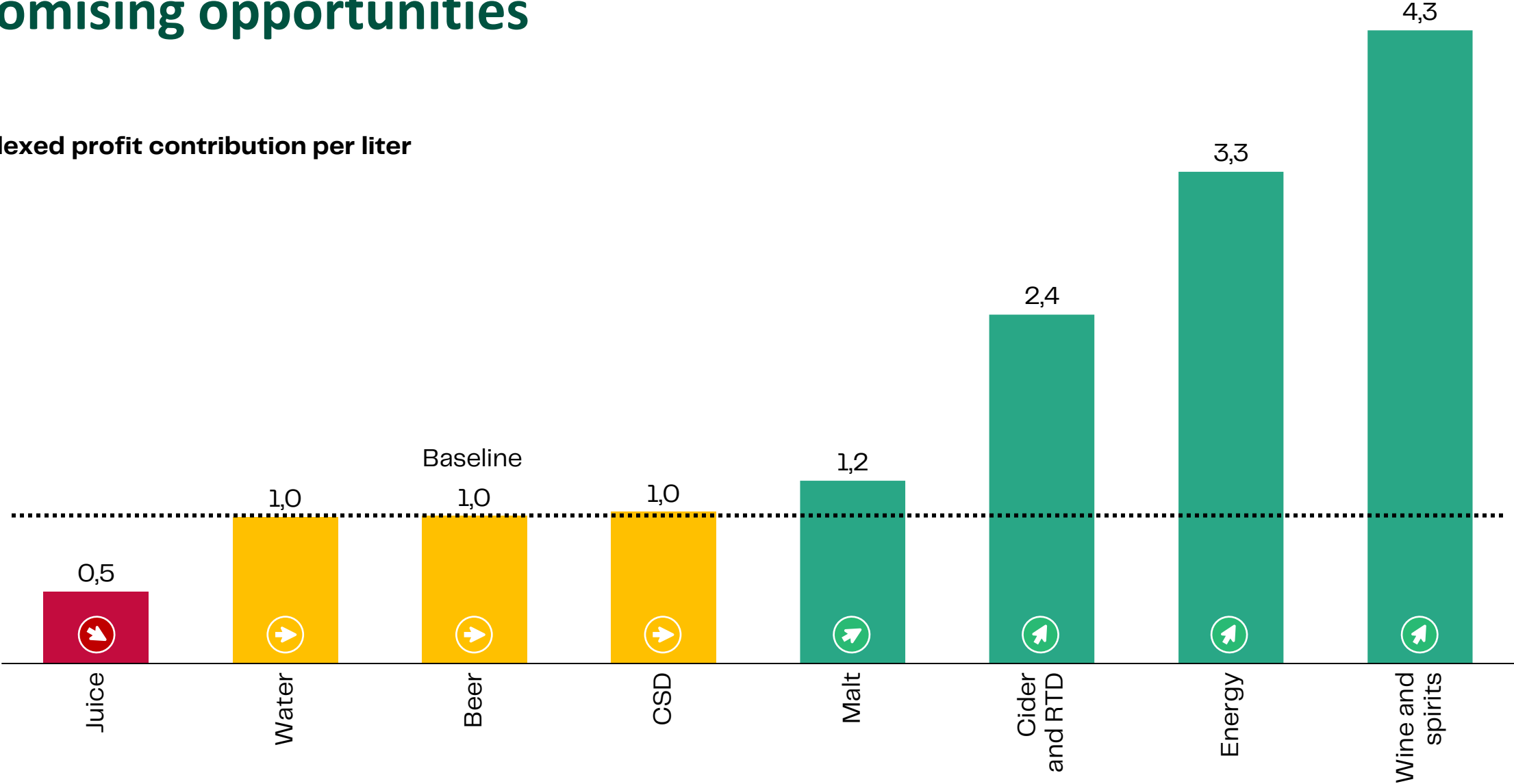
**Faxe Kondi volume index**  
in Denmark incl. German Border:  
Pro and Booster not included





# Our multi-beverage model enables us to focus on the most promising opportunities

Indexed profit contribution per liter



The multi-beverage model is a mutually beneficial combination of own brands and partner brands which enables Royal Unibrew to offer a full product portfolio comprising all major categories

|                           | <br>Denmark   | <br>Finland   | <br>Norway   | <br>Baltics   | <br>Italy  | <br>Netherlands   |
|---------------------------|--|--|---|--|---|--|
| <b>Local power brands</b> | <br><br><br>   | <br><br><br>   | <br>  | <br><br><br>   | <br><br> | <br><br><br> |
| <b>Partnership brands</b> | <br><br><br><br><br> | <br><br><br><br><br> | <br><br><br><br><br><br>Partially | <br><br><br><br><br> | <br>   | <br>  |

Note: Selected examples only (overview not exhaustive)

# Unlocking more growth opportunities by having larger scale

Premiumization

1,5-2%

Volume growth

2-4%

Operational efficiency

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Share buy-backs

1-2%

Mergers & acquisitions

2%

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EPS growth

10-14%

Long-term organic EBIT growth target of 6-8%

# Q3 2024: Best quarterly EBIT result ever

- Strong organic EBIT growth of 25%
- Increased market shares in most countries
- Integrations progressing according to plan, and business results starting to reflect progress
- Takeover of PepsiCo beverages in Belgium and Luxembourg on October 1, 2024
- Agreement signed on October 17, 2024 to acquire Pernod Ricard's portfolio of local Nordic brands in Finland
- Sale of shareholdings in Poland for DKK 207m in Q3
- Full year guidance narrowed

ORGANIC VOLUME GROWTH

8%

ORGANIC NET REVENUE GROWTH

8%

ORGANIC EBIT GROWTH

25%



# Equity story

Royal Unibrew is a growth company with solid profitability, high cash conversion and a disciplined capital allocation for the benefit of our stakeholders.

## Leading brand portfolio

We want to be THE PREFERRED CHOICE for our customers and consumers. We strive for this position by offering our customers and consumers a portfolio of leading beverage brands. The foundation of superior portfolios lies in strong local brands, reinforced by strong, influential, and well-known international brands through strategic partnerships.

## Strong market positions

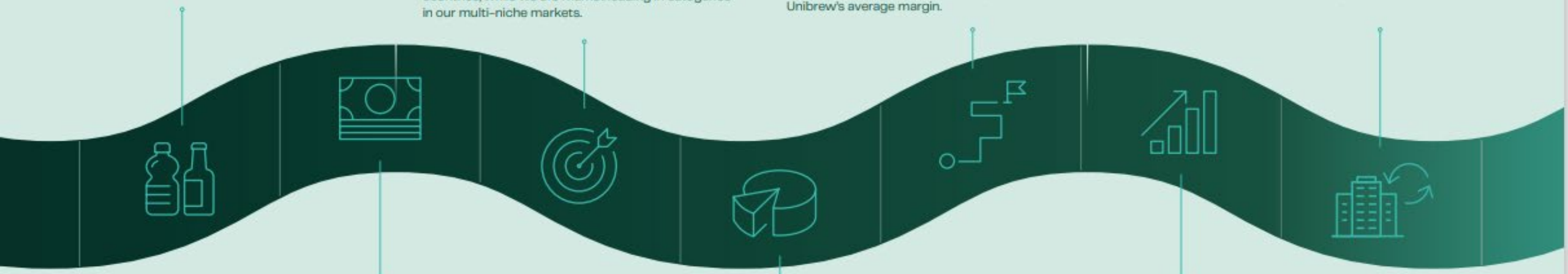
Our strong market positions and efficient route to markets are vital for our profitability. Multi-niche and multi-beverage offerings through leading brand portfolios increase the numbers of must stock brands in the individual markets and thereby increase our portfolios' attractiveness toward customers. We are a market leading beverage supplier throughout the Nordics and the Baltic countries, while we are market leading in categories in our multi-niche markets.

## Clear growth and value oriented long-term strategy

We have identified six focus areas for Royal Unibrew's long-term strategy: energy drinks, enhanced water, cider/RTD, no/low sugar products, no/low alcoholic products and premiumization. All these areas are expected to structurally grow faster than the average beverage market, and most of the areas are also expected to generate higher margins than Royal Unibrew's average margin.

## A sustainable business

Royal Unibrew has established a robust foundation with concrete initiatives, goals and KPIs for achieving our long-term strategy of being among the most sustainable beverage companies globally. We continue to support the UN Global Compact and has enrolled in the Task Force on Climate-Related Financial Disclosures (TCFD). By the end of 2023, our ambitious emissions reduction targets were validated by the Science Based Targets initiative (SBTi).



## High cash conversion

Our multi-beverage operating model yields high profitability as beverages, assets and people are leveraged throughout the value chain. High profitability is the foundation for a high return on invested capital (ROIC), which enables us to invest in value creating growth – both organic and inorganic.

## Disciplined capital allocation

The main objective of our capital allocation is to create financial flexibility, enabling us to make the necessary investments in organic growth – and pursue inorganic growth opportunities, i.e. value creating acquisitions. Historically, this approach has facilitated a healthy redistribution of surplus cash.

## Strong track record of earnings growth

The development of our multi-beverage operating model and our expansion of market platforms, from which we have and are creating multi-beverage operating models, have over time created significant earnings growth. During the past ten years, the average annual growth in EBIT has been 11%, driven by both organic and inorganic contributions.

Thank you