



Company Announcement No 23/2025 – April 29, 2025

Q1 2025 trading statement

Start of 2025 in line with our expectations

Key highlights of the quarter

- Volume and net revenue on par with Q1 2024, despite Easter phasing from Q1 last year to Q2 this year and a sectoral strike in Finland.
- EBIT growth of 4%.
- EBIT margin expansion of 0.2 percentage points.
- EPS growth of 25%.
- The financial outlook for full-year 2025 is reiterated.

Statement by Royal Unibrew's CEO, Lars Jensen: "We are pleased to report that the year has started in line with our expectations. Considering the subdued consumer confidence across our main markets, a full week of strike end March in Finland and the timing of Easter negatively impacting Q1, we are satisfied with our activity levels and financial performance. Our continued focus on operating efficiency is driving improvements in our EBIT margin, in line with our long-term ambitions".

Outlook for 2025

The financial outlook for full-year 2025 as stated in the Annual Report 2024 is reiterated.

- Net revenue growth is expected in the range of 5–7%.
- EBIT growth is expected in the range of 7–13% (DKK 2,100 – 2,225m).

The guidance is based on a continued challenging consumer environment and high uncertainty; though not a deterioration from 2024. In recent months, macroeconomic uncertainty has increased following the announcements of trade tariffs by the US. While our direct exposure to US import/export is limited, the ripple effects on global economies and consumer sentiment are difficult to predict at this stage.

Key financial highlights and key ratios

DKKm	Q1 2025	Q1 2024	Change
Volume (million hectoliters)	3.7	3.7	0%
Net revenue	3,206	3,199	0%
EBIT	219	210	4%
EBIT margin (%)	6.8	6.6	
Free cash flow	-543	-480	-13%
ROIC incl. goodwill (%)*	11	11	
Net interest-bearing debt	6,498	6,908	-6%
NIBD/EBITDA (times)*	2.5	3.0	
Earnings per share (EPS)	2.5	2.0	25%

*Measured on a rolling 12-month basis.

Management's review

Volume and revenue

In Q1 2025, both volumes and net revenue for the group were on par with the same period last year. While Western Europe and International continued the strong trends from 2024, the Northern Europe segment experienced a decline.

Developments in activities for the period January 1 – March 31, categorized by market segments

	Northern Europe		Western Europe		International		Group	
	Q1 2025	Change	Q1 2025	Change	Q1 2025	Change	Q1 2025	Change
Volumes (million hectoliters)	2.1	–8%	1.2	15%	0.4	10%	3.7	0%
Net revenue (DKKm)	2,041	–6%	828	14%	337	9%	3,206	0%

Northern Europe

The Northern Europe segment consists of our multi-beverage businesses in Denmark (incl. border trade), Finland, Norway, Sweden and the Baltic countries.

In Northern Europe, volumes declined by 8% in Q1 2025. This development was mainly due to the late timing of Easter compared to 2024, which has pushed most of the Easter sales into Q2 2025. Furthermore, our Finnish business was negatively impacted by a strike in the last week of March 2025, also pushing sales into the next quarter. The strike was sectoral.

The consumer sentiment remained relatively subdued across the region, particularly in on-trade.

Net revenue amounted to DKK 2,041m in Q1 2025, corresponding to a decline of 6%, and was influenced by the same factors that affected volumes.

Western Europe

The Western Europe segment consists of our multi-niche businesses in the Netherlands, Belgium, Luxembourg, Italy and France.

In Q1 2025, volumes increased by 15%. This growth was mainly driven by our new activities in BeLux, which started October 1, 2024. Furthermore, we saw continued good performance in Italy and France.

Net revenue came to DKK 828m, and the growth was 14%. This growth was also driven by the new activities in BeLux, along with growth in Italy and France, while the Netherlands was on par with last year, negatively impacted by Easter phasing.

International

The International segment comprises business in markets outside Northern Europe and Western Europe segments and covers more than 70 markets.

The International business continued the strong trend from 2024 and achieved growth of 10% in volume and 9% in net revenue in Q1 2025. Africa continues to deliver strong growth for the segment.

Earnings and profitability

Gross profit increased by DKK 42m to DKK 1,284m in Q1 2025 (Q1 2024: DKK 1,242m). The increase was mainly driven by margin management and efficiency improvements. The gross profit margin increased by 1.2 percentage points to 40.0% in Q1 2025.

In Q1 2025, sales and distribution expenses increased by DKK 8m and administrative expenses increased by DKK 25m compared to Q1 last year. There is a general increase in cost due to the new activities in BeLux, and we are also investing more in sales and marketing cost to support our growth.

EBIT came to DKK 219m in Q1 2025 (Q1 2024: DKK 210m), corresponding to a growth of 4%. The EBIT margin expanded by 0.2 percentage points to 6.8%. The first quarter of the year is a small seasonal quarter, and therefore the EBIT margin is below the expected full-year margin.

Net financial expenses came to DKK 55m in Q1 2025 (Q1 2024: DKK 81m). The decline was due to lower net interest-bearing debt and lower interest rates.

Tax expenses for the quarter were DKK 37m, and the effective tax rate was 22.6%.

As a result of the higher net profit for the quarter, earnings per share increased 25% to DKK 2.5 (Q1 2024: DKK 2.0).

Cash flow and capital structure

The first quarter of the year is traditionally cash flow negative due to the inventory build up to the high season. Cash flow from operating activities was DKK -281m in Q1 2025 versus DKK -330m in the same period last year. The improvement was mainly driven by higher net profit for the period.

Cash flow from investing activities was DKK -376m in Q1 2025 (Q1 2024: DKK -103m). Q1 2025 was impacted by higher CAPEX and acquisitions of enterprises. Free cash flow was DKK -543 million in Q1 2025 (Q1 2024: DKK -480m).

The financial gearing ratio (debt/EBITDA) was 2.5x at the end of March 2025 (measured on a rolling 12-month basis) and in line with our plans.

On February 26, 2025, a share buy-back program of up to DKK 250 million was initiated with the purpose of adjusting the capital structure. By the end of March 2025, shares totaling DKK 43 million had been repurchased under the program. The program will run until August 15, 2025, and the board will continuously evaluate the need to initiate new share buy-back programs when the current expires.

The proposed dividend for 2024 is DKK 15 per share, which will lead to a dividend payment of DKK 753m in Q2 2025.

For further information on this announcement:

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Investors and analysts can register for a conference call on April 30, 2025, at 09:00 am CEST at the following link: <https://edge.media-server.com/mmc/p/oq75zp5w/>

Financial calendar for 2025

April 29 Annual General Meeting 2025

August 26 Interim report for January 1 – June 30, 2025

November 12 Trading statement for January 1 – September 30, 2025

Forward-looking statements

This trading statement 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.

Appendix 1

Consolidated income statement

DKK m	Q1 2025	Q1 2024	FY 2024
Net revenue	3,206	3,199	15,036
Production costs	-1,922	-1,957	-8,648
Gross profit	1,284	1,242	6,388
Sales and distribution expenses	-824	-816	-3,626
Administrative expenses	-241	-216	-794
Earnings before interest and tax (EBIT)	219	210	1,968
Result after tax from investments in associates	0	-3	-6
Financial income	8	5	229
Financial expenses	-63	-86	-326
Profit before tax	164	126	1,865
Tax on the profit for the period	-37	-26	-401
Net profit for the period	127	100	1,464

Consolidated balance sheet**Assets**

DKKkm	31/03 2025	31/03 2024	31/12 2024
NON-CURRENT ASSETS			
Intangible assets	9,744	9,518	9,513
Property, plant and equipment	4,986	4,510	4,749
Investments in associates	17	19	17
Other non-current investments	61	91	73
Non-current assets	14,808	14,138	14,352
CURRENT ASSETS			
Inventories	1,608	1,429	1,340
Receivables	2,030	2,227	1,944
Corporation tax	36	51	0
Prepayments	182	222	147
Cash and cash equivalents	96	141	103
Current assets	3,952	4,070	3,534
Assets	18,760	18,208	17,886

Liabilities and equity

DKKkm	31/03 2025	31/03 2024	31/12 2024
EQUITY			
Share capital	100	100	100
Other reserves	1,469	1,470	1,407
Retained earnings	4,242	4,239	4,148
Proposed dividend	753	0	753
Equity	6,564	5,809	6,408
LIABILITIES			
Non-current liabilities			
Deferred tax	1,268	1,277	1,271
Mortgage debt	980	988	986
Credit institutions	4,159	4,449	3,711
Non-current liabilities	6,407	6,714	5,968
Current liabilities			
Mortgage debt	23	21	19
Credit institutions	1,432	1,591	1,083
Trade payables	2,489	2,318	2,532
Provisions	11	11	11
Corporation tax	0	0	59
Other payables	1,834	1,744	1,806
Current liabilities	5,789	5,685	5,510
Liabilities	12,196	12,399	11,478
Liabilities and equity	18,760	18,208	17,886

Consolidated cash flow statement

DKK m	Q1 2025	Q1 2024	FY 2024
Net profit for the period	127	100	1,464
Adjustments for non-cash operating items	274	280	1,193
Change in working capital	-496	-506	216
Received financial income	8	4	15
Paid financial expenses	-61	-83	-304
Financial expenses related to leasing	-3	-2	-11
Corporation tax paid	-130	-123	-384
Cash flows from operating activities	-281	-330	2,189
Dividend received from associates	0	11	11
Sale of property, plant and equipment	2	2	18
Purchase of property, plant and equipment	-221	-120	-761
Purchase of intangible assets	-4	0	-58
Acquisition of enterprises	-165	6	-80
Cash receipts from sales of equity instruments of other entities	0	0	201
Development in financial asset investments	12	-2	18
Cash flows from investing activities	-376	-103	-651
Proceeds from borrowings	1,155	627	751
Repayment of borrowings	-432	-59	-1,350
Repayment on leasing facilities	-39	-43	-166
Dividend paid to shareholders	0	0	-726
Acquisition of shares for treasury	-43	0	0
Cash flows from financing activities	641	525	-1,491
Change in cash and cash equivalents	-16	92	47
Cash and cash equivalents at beginning	103	57	57
Exchange adjustment	9	-8	-1
Cash and cash equivalents end of period	96	141	103
Free cash flow			
Cash flows from operating activities	-281	-330	2,189
Net cash used in investing activities	-223	-107	-589
Payment of lease liabilities	-39	-43	-166
Free cash flow	-543	-480	1,434