

Royal Unibrew acquires French Energy Drinks brand



COMPANY ANNOUNCEMENT NO 38/2021 – 7 JULY 2021

In continuation of company announcement, no 36/2021, which was published on 1 July 2021, we today announce that Royal Unibrew A/S has come to an agreement to acquire 100% of MC Energy - a French Energy Drinks company, which holds around 10% volume share in the fast-growing energy drinks market.

The acquisition marks the entry into one of the categories where we see strong growth opportunities across markets and at the same time adds a new category to our French business, which is currently based on our Lorina brand (lemonade). The acquisition is the next step in developing the French business towards a multi-niche market.

We believe that we can take the Crazy Tiger brand to the next level through investments in innovation and in the organization and evolve the brand to become more premium, gaining new consumers and occasions and thereby customers in all channels by leveraging and growing our existing capabilities in France.

CEO of Royal Unibrew, Lars Jensen, states: "We are very pleased that we have secured the ownership of Crazy Tiger in France as we see significant growth opportunities in the Energy Drink category across geographies. The acquisition of an Energy Drink company with a solid market position in France supports our strategy and is the next step in developing our French business into a multi-niche business model. This move is fully in line with our strategy as laid out at our Capital Markets Update on 10 May 2021."

Crazy Tiger is being acquired from three French entrepreneurs at an enterprise value of around DKK 610m (EUR82m) on a debt free basis. Crazy Tiger has around 25 employees and an EBIT margin that is higher than the average for the rest of the group. We expect that Crazy Tiger will continue to grow at double digit growth rates in the coming years supported by investments into the organization, innovation and marketing.

The acquisition will be financed with existing credit facilities. We expect the acquisition to be slightly EPS accretive in 2021.

FINANCIAL OUTLOOK FOR 2021 AND MEDIUM-TERM EBIT MARGIN TARGET

Full-year EBIT outlook of DKK1,525-1,625m is maintained, because the acquisition is not expected to contribute significantly to Royal Unibrew, as earnings are expected to be balanced out by transactions costs and the aforementioned operational investments.

For further information on this Announcement:

Investor Relations: Jonas Guldborg Hansen, tel (+45) 20 10 12 45

Media Relations: Louise Kapel, tel (+45) 22 20 80 17

www.royalunibrew.com