



Interim Report for 1 January–30 June 2022 (H1)



Strong topline momentum in Q2 – full-year outlook maintained

- The organic development in the topline was very satisfactory in Q2 2022, despite being up against relatively tough comparable numbers from last year. This year, societies were without COVID-19 restrictions during the second quarter resulting in an organic volume growth of 5% (H1 2022: 2%).
- The price increases implemented during the first quarter of the year had full effect in Q2 2022 leading to an organic net revenue growth of 15% (H1 2022: 15%). Reported net revenue increased by 40% in Q2 2022 (H1 2022: 38%) due to the acquisitions made during the past 12 months.
- The second wave of input price increases, resulting from the war in Ukraine, continued investments in the organization and higher sales and marketing costs resulted in an organic EBIT decline of 13% (H1 2022: -13%) to DKK 511 million (H1 2022: DKK 720 million). Reported EBIT only declined by 2%, as acquisitions contributed by almost DKK 60 million in the quarter.
- Free cash flow was DKK 669 million (Q2 2021: DKK 785 million), resulting in a first half-year free cash flow of DKK 310 million (H1 2021: DKK 683 million).
- The outlook for full-year 2022 net revenue of DKK 10,700–11,700 million and EBIT of DKK 1,700–1,850 million is maintained.

CEO Lars Jensen comments: *“We delivered strong growth in the first half of the year driven by a very strong re-opening of the On-Trade. A solid double-digit price/mix effect was supported by higher sales and marketing costs compared to last year, as well as group capability building investments.*

We are gaining market shares in most markets, and we have been able to increase our EBITDA, despite strong headwind from input cost increases. The timelag between cost inflation and our ability to increase prices creates a backlog of positive effects, which in H2 together with relatively lower discretionary spending will impact H2 performance positively.

We continue our path towards decarbonization. We are committed to SBTi and are on track of implementing our roadmap to be scope 1 and 2 carbon emission free by 2025 as well as reducing scope 1, 2 and 3 carbon emissions by 50% by 2030. Installation of additional heat pumps in Faxe, cutting at least 30% of the gas consumption and reducing CO₂ emissions by 25% is an example.

Our recent agreement to acquire production capacity in North America is another example of how we significantly reduce the CO₂ contribution from transportation. Changes in the geopolitical situation and post-pandemic challenges support and even accelerate our efforts to decarbonize,” Lars Jensen continues.

Selected financial highlights and key ratios

mDKK	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Volume (Thousand hectoliters)	3,840	3,421	6,500	5,957	12,332
Organic volume growth (%)	5	11	2	13	9
Net revenue	3,211	2,300	5,373	3,905	8,746
Organic net revenue growth (%)	15	16	15	13	12
EBITDA	623	609	940	927	2,020
EBITDA margin (%)	19.4	26.5	17.5	23.7	23.1
EBIT	511	521	720	750	1,652
Organic EBIT growth (%)	-13	0	-13	13	6
EBIT margin (%)	15.9	22.7	13.4	19.2	18.9
Profit before tax	851	526	1,046	749	1,647
Net profit for the period	772	417	926	594	1,298
Free cash flow	669	785	310	683	1,296
Net interest-bearing debt			4,416	2,618	3,536
ROIC incl. goodwill (%)*			15	21	19
ROIC excl. goodwill (%)*			24	34	32
NIBD/EBITDA (times)*			2.2	1.3	1.7
Equity ratio (%)			31	32	31
Earnings per share (EPS)	15.6	8.6	19.2	12.3	26.5

* Running 12-month

Financial highlights

The organic volume growth of 5% to 3.8 million hectolitres in Q2 2022 was driven by Western Europe and International, whereas Northern Europe's volumes declined organically by 2%. Italy grew significantly as we continued to perform very strong in all three categories where we are present. The On-Trade channel increased significantly across all geographies as there were no restrictions in the second quarter as opposed to last year. As consumers moved back into On-Trade, the Off-Trade declined in all markets, Italy excluded as Off-Trade volumes here increased by double-digit percentages. For H1 2022, volumes increased to 6.5 million hectolitres corresponding to 9% growth, of which 2% are from organic growth and around 7% from acquisitions.

Net revenue for Q2 2022 amounted to DKK 3,211 million compared to DKK 2,300 million for Q2 2021. This corresponds to an organic growth of 15% driven by the higher sales, implemented price increases and a positive channel-mix. The reported growth of 40% includes a significant effect from acquisitions contributing around 25% with the majority coming from the Norwegian acquisitions of Solera (included since 17 September 2021) and Hansa Borg (included since 25 May 2022). Net revenue for H1 2022 amounted to DKK 5,373 million (H1 2021: DKK 3,905 million), corresponding to an organic growth of 15%.

Earnings before interest and tax (EBIT) for Q2 2022 was DKK 10 million lower than in Q2 2021, amounting to DKK 511 million (Q2 2021: DKK 521 million). The EBIT margin declined by 6.8 percentage points to 15.9%. Mix changes contributed positively in the quarter, while acquisitions diluted the margin by around 1.2 percentage points. The majority of the

remaining margin decline is explained by the timelag between input price inflation and our sales price increases. Higher sales and marketing costs as well as higher discretionary costs also diluted the margin as we continued with already planned and booked sales supporting activities in Q2.

In H1 2022, EBIT was DKK 30 million lower than in H1 2021 and amounted to DKK 720 million (H1 2021: DKK 750 million). The organic decline was 13%, whereas the reported decline was only 4% supported by a positive impact from the acquisitions completed in the past year. The reported EBIT margin declined by 5.8 percentage points, whereof around 1.2 percentage points was due to acquisitions. The majority of the remaining margin decline is explained by the timelag between input inflation and price increases. Higher sales and marketing costs together with higher discretionary spending also impacted the margin negatively.

The free cash flow for H1 2022 amounted to DKK 310 million compared to DKK 683 million for H1 2021 and was impacted

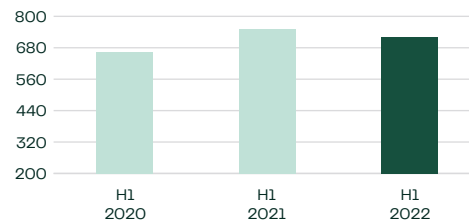
by a negative development in working capital and higher capex.

In H1 2022, net interest-bearing debt increased by DKK 880 million (H1 2021: DKK 425 million) compared to year-end 2021. The increase is primarily explained by the payment of dividend to shareholders and share buy-backs of DKK 300 million. Calculated on a 12-months basis, NIBD/EBITDA was 2.2 (H1 2021: 1.3) and ROIC excluding goodwill was 24% (H1 2021: 34%).

Acquisitions

On 7 January 2022, Royal Unibrew agreed to acquire the remaining 75% of Hansa Borg Bryggerier. On 13 May 2022, the transaction was approved by the Norwegian Competition Authorities and the deal was closed on 25 May 2022. The transaction is based on an enterprise value of around NOK 2.6 billion (DKK 1.9 billion) for 100% of the company on a debt free basis, and 10% of the transaction value was paid in cash whereas the remainder of the transaction was paid in shares. The already owned 25% of Hansa Borg was revalued in connection with the transaction, resulting in an extraordinary non-cash tax-free profit of DKK 360 million, which is booked as part of financial items. Hansa Borg Bryggerier is expected to generate normalized full-year revenue in 2022 of around NOK 1.4 billion with a normalized EBITDA of around NOK 210 million. We expect the acquisition to contribute around DKK 50 million to Royal Unibrew's 2022 full-year EBIT result (seven months of ownership), including integration and restructuring costs.

EBIT H1
(mDKK)



■ EBIT

On 15 July 2022, Royal Unibrew announced the agreement to acquire 100% of the Toronto-based company Amsterdam Brewery Co. Ltd. Closing is subject to customary preparations and is expected to close in Q3 2022. The acquisition is based on an enterprise value of CAD 44 million (around DKK 250 million) on a debt free basis. Amsterdam Brewery has normalized revenue of around CAD 34 million (around DKK 200 million) and a normalized annual EBITDA of around CAD 5 million (around DKK 28 million).

The announced acquisition of Aqua d'Or is still awaiting approval from the Danish Competition Authorities, which is now expected in Q4 this year. Aqua d'Or has normalized net revenue of around DKK 180 million, which is not included in the current outlook for the year.

Full-year outlook

We maintain our full-year outlook for revenue of DKK 10,700–11,700 million and EBIT of DKK 1,700–1,850 million as set out in company announcement no. 28/2022 of 25 May 2022.

The announced acquisitions of Aqua d'Or and Amsterdam Brewery are not included in the outlook for 2022.

The price increases we implemented into most of our markets during Q1 2022 were set out to neutralize the input price inflation experienced during 2021 – Russia's invasion of Ukraine started another wave of input price increases impacting our cost base by an additional approx. DKK 300 million. As these cost increases came after the annual negotiations with our customers were completed, we have implemented a second round of price increases that will become

effective during Q3 2022. Additional costs will be carried by us until we are able to increase prices towards our customers.

Input costs continue to increase and in particular the energy prices have continued to move up in Q3, which at current levels will lead to further sales price increases in Q4. The timelag between cost inflation and sales price increases towards customers has a negative impact of around DKK 200 million on 2022 EBIT, of which DKK 100 million was known at the time of the initial outlook. Our sales price increases are targeting a constant earnings per liter sold once implemented.

In total, our input costs, on a 12-month rolling basis, has now increased by around DKK 0.8 billion compared to the beginning of 2021.

The summer weather in the Nordic countries has been more wet and less sunny than a normal year, and more people than last year decided to travel in their holiday. We estimate this will have a negative effect on EBIT in 2022 of around DKK 50 million.

We have seen the first signs of consumers shifting to discount retail outlets where our assortment of premium products is more narrow, and the lower end of the market has relative more shelf space. We still see consumers going for branded beverages, and we do not expect a significant negative effect from downtrading, as unemployment rates continue to be very low and economies strong in our key markets.

The high level of macro economic uncertainty and the potential resulting impact on consumer behavior means that we are taking actions to minimize discretionary spending in H2 2022.

We have not included any COVID-19 related restrictions on the On-Trade for the remainder of the year. Consequently, the profit in Q4 2022 is expected to be higher than in Q4 2021, which was significantly impacted by strict restrictions and actual lockdowns in our main markets.

We continue to expect capex for 2022 to be around 5% of net revenue and tax around 21% of profit before tax, excluding result after tax from investments in associates.

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Profile

Royal Unibrew is a leading multi-beverage company with strong local brand portfolios in our main markets in the Nordic region, the Baltic countries, Italy and France. In addition, our products are sold in more than 65 countries in the rest of the world.

We strive to offer our customers a broad portfolio of high-quality beverages, which accommodates our consumers’ demands across a wide range of categories, including beer, malt beverages, soft drinks, energy drinks, cider/RTD, juice, water, wine and spirits.

Our portfolio includes brands like Faxe Kondi, Original Long drink, LemonSoda, Novelle, Faxe, Lorina, Vitamalt, Kalnapilis etc., and in addition to our own brands, we offer license-based international brands from PepsiCo and Heineken in Northern Europe.

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.

Financial highlights and ratios

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Volume (thousand hectolitres)	3,840	3,421	6,500	5,957	12,332
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Income Statement (mDKK)					
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Organic net revenue growth (%)	15	16	15	13	12
Earnings before interest, taxes, depreciation and amortization (EBITDA)	623	609	940	927	2,020
EBITDA margin (%)	19.4	26.5	17.5	23.7	23.1
Earnings before interest and tax (EBIT)	511	521	720	750	1,652
Organic EBIT growth (%)	-13	0	-13	13	6
EBIT margin (%)	15.9	22.7	13.4	19.2	18.9
Result after tax from investments in associates	355	14	351	15	37
Other financial income and expenses, net	-15	-9	-25	-16	-42
Profit before tax	851	526	1,046	749	1,647
Net profit for the period	772	417	926	594	1,298
Balance Sheet (mDKK)					
Non-current assets			11,143	7,123	8,771
Total assets			14,651	9,101	10,914
Equity			4,574	2,889	3,342
Net interest-bearing debt			4,416	2,618	3,536
Net working capital			-1,080	-990	-1,102
Invested capital			9,815	5,908	7,450
Cash Flows (mDKK)					
Operating activities	845	900	562	885	1,753
Investing activities	-147	-97	-204	-166	-389
Payment of lease liabilities	-29	-18	-48	-36	-68
Free cash flow	669	785	310	683	1,296

	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Share Ratios (DKK per share of DKK 2)					
Earnings per share (EPS)	15.6	8.6	19.2	12.3	26.5
Free cash flow per share	13.5	16.3	6.2	14.2	26.4
Dividend per share					14.5
Period-end price per share			628.4	798.8	737.2
Financial ratios					
Free cash flow as a percentage of net revenue (%)	21	34	6	17	15
Cash conversion (%)	87	188	33	115	100
Net interest-bearing debt/EBITDA*			2.2	1.3	1.7
Equity ratio (%)			31	32	31

* Running 12-months

Ratios comprised by the "Recommendations and Financial Ratios" issued by the Danish Society's Committee for accounting standards have been calculated according to the recommendations.

ESG highlights and ratios^{a)}

		Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
PRODUCTION FIGURES						
Production sites		14	9	14	9	14
Production volume, total	million hl	3.2	3.1	5.8	5.7	11.5
ENVIRONMENT & CLIMATE						
Purchased Electricity	GWh	22.5	22.1	42.0	40.8	84.2
Natural gas	GWh	26.0	25.0	52.2	51.7	99.5
Purchased Heat/steam/cooling	GWh	7.7	7.1	18.2	17.9	33.5
Other	GWh	0.6	0.3	1.5	0.8	3.1
Energy, total	GWh	56.8	54.5	113.9	111.2	220.3
CO ₂ from production (location based)*	million kgCO ₂	9.2	9.6	18.7	19.7	35.8
CO ₂ from production (market based)**	million kgCO ₂	6.7	6.3	14.1	13.9	26.8
Total water consumption	million hl	10.0	9.2	18.1	17.1	34.8
Total amount of wastewater discharged	million hl	6.4	6.0	11.8	11.1	22.8
Hazardous waste	million kg	0.0	0.0	0.0	0.0	0.0
Landfilled waste	million kg	0.2	0.1	0.3	0.2	0.7
Incinerated waste	million kg	0.2	0.2	0.4	0.3	0.6
Recycled waste	million kg	1.4	1.2	2.7	2.4	5.5
Other waste***	million kg	0.9	0.8	1.4	1.2	0.0
Solid Waste, total	million kg	2.6	2.4	4.8	4.1	6.8
Spent grain & yeast ****	million kg	23.1	21.0	43.9	39.5	79.2
RELATIVE PRODUCTION FIGURES						
Energy	kWh/hl	17.6	17.5	19.5	19.5	19.2
CO ₂	Kg CO ₂ /hl	2.9	3.1	3.2	3.5	3.1
Water	hl/hl	3.1	3.0	3.1	3.0	3.0

^{a)} The ESG scope does not yet include the acquisition of Hansa Borg which was closed on 25 May 2022

		Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
PACKAGING MATERIAL *****						
Cans	%	42.8	43.1	42.8	43.9	43.4
Returnable glass bottles	%	2.4	2.7	2.4	2.4	2.4
Non returnable glass bottles	%	9.2	8.8	9.6	8.8	9.1
PET	%	35.6	35.8	35.6	35.8	36.0
KEGS	%	2.8	1.9	2.8	1.3	2.0
Bulk	%	0.4	0.2	0.4	0.1	0.3
Other	%	6.4	7.5	6.4	7.5	6.8
PEOPLE WELL-BEING & DEVELOPMENT						
Occupational Health & Safety						
Total number of lost-time incidents (LTIs)	Number	9	12	21	23	53
Lost time incident frequency		6.8	10.9	8.1	10.8	11.3
Number of Lost days	Days	96	235	229	513	944
Lost day rate		73	214	88	241	202
Fatalities	Number	0	0	0	0	0
Employee engagement						
Employee turnover	%	4.1	n/a	8.7	7.1	15.0
Leave of absence due to illness (not work related)	%	0.7	n/a	1.8	2.8	3.8
Diversity						
<i>Percentage of employees by gender, total</i>						
Female	%	27	n/a	27	25	26
Male	%	73	n/a	73	75	74
<i>Employees by gender, Int. Management teams</i>						
Female	%	28	n/a	28	32	29
Male	%	72	n/a	72	68	71

* Location based: Calculated CO₂ emission based on IEA country factors

** Market based: Subtracting CO₂ emission covered by green certificates

*** Other waste: Discarded product utilized for bioenergy, has not previously been reported

**** Revisit required due to change in accounting policy

***** Packaging material: Calculation based on hl sales volume

Management's Review

Business Development

The first half of 2022, and especially the second quarter, has been positively impacted by the re-opening of the On-Trade, but also negatively affected by increasing input costs. THE PREFERRED CHOICE strategy with focus on structural growth areas continues to deliver strong solid results.

The On-Trade was fully re-opened towards the end of Q1 2022 and the events business (festivals, concerts, sporting events, etc.) has also returned in the second quarter of 2022. The On-Trade in all countries was very strong throughout Q2 2022 and grew over-all by double-digit percentages, meaning that all markets were at least back at 2019 levels in the On-Trade business.

The flip side of the very strong On-Trade development was that the very high volumes in the Off-Trade channel started to roll back. Consequently, Off-Trade volumes declined in all markets, except in Italy where it grew double-digit percentages due to strong sales in both beer, CSD and energy drinks.

Russia's invasion of Ukraine initiated a second wave of input price inflation resulting in significant increases in energy prices and energy-intensive raw materials and packaging formats.

The strong topline momentum achieved in the first half of 2022 is a result of our THE PREFERRED CHOICE strategy in which we have selected six areas of focus where we expect structural higher-than-market growth in the coming years. The six areas are: energy drinks, cider/RTD's, enhanced waters, no/low sugar, no/low alcohol and premiumization in general.

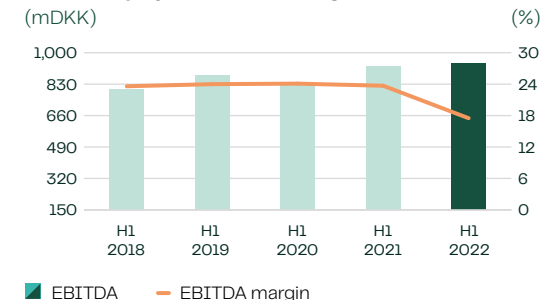
The energy drinks segment continues to grow significantly, and in H1 2022 the growth amounted to 16% compared to the same period in 2021. All markets are growing double-digit percentages in energy drinks with especially high growth in Italy, the Baltic countries and the International business. It is still Denmark, France and Finland that contribute most to the growth.

In the second quarter, a new can line was inaugurated and commissioned at our factory in Faxe, Denmark. The can capacity in Faxe thus expands by approx. 25%. The line also adds new sustainable packaging solution opportunities that will help us reduce our use of plastic.

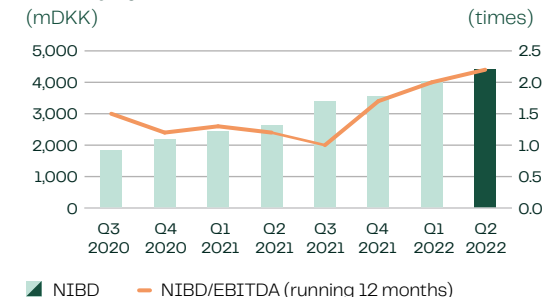
ESG Development

The overall ESG performance has improved compared to the same period last year. However, when looking at efficiency, measured as energy and water consumed, and CO₂ emitted per produced unit, the performance is below full-year 2021 levels, which is mainly explained by the

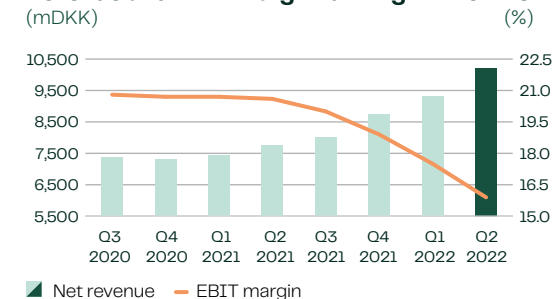
EBITDA and EBITDA MARGIN



NIBD and NIBD/EBITDA



Revenue and EBIT margin running 12 months



colder months in H1 2022. Therefore, we expect that it will be levelled out in H2 2022. Our lost time incident frequency has decreased further in H1 2022, also when correcting for inorganic growth, and we are now at 8.1 lost time incidents per 1 million working hours. The severity measured as the lost day rate shows a significant decrease as well. It demonstrates that our increased training, information and enhanced review and reporting is paying off.

We are on track with the plans regarding implementation of our sustainable strategy. Mentionable is our aspiration to be 100% CO₂ emission free from our production sites in 2025. To reach this target, we have established decarbonization roadmaps with specific actions in all our markets; we have just initiated implementation of additional heat pumps in Faxe, reducing our energy consumption (gas) by at least 30%, corresponding to a 25% reduction in CO₂ emissions; we continue our conversion of fossil-based gas to bio-based gas utilizing our by-product spent grain in Lahti Finland; our solar park in Denmark will be ready in 2022 as planned. The changes we see in the geopolitical situation and the post-pandemic challenges support and even accelerate our efforts to decarbonize.

In 2021, Royal Unibrew committed to the Science Based Target initiative, and we are currently in the process of establishing the full scope 3 footprint in addition to our scope 1 and 2 footprints. We believe that the two targets, we have set for decarbonization for 2025 and 2030, are aligned with the requirements for limiting global temperature rise to 1.5°C as agreed in the 2015 Paris Accord.

Through engagement with our suppliers, we believe to be equipped to reach the goals of reducing the supply chain emissions (scope 1, 2 and 3) by 50% by 2030. The recent agreement to acquire Amsterdam Brewery Co. Ltd. is also supporting our sustainability strategy, as it will reduce our CO₂ footprint significantly by reducing the transportation needs for products sold in North America.

Furthermore, Royal Unibrew's goal to provide 100% recycled, recyclable or reusable packaging in 2025 has been enhanced by the inauguration of a new filling line for cans in Denmark enabling substitution or even elimination of plastics by introducing cardboard solutions in our packaging systems.

Status on share buy-back program

On 1 March 2022, Royal Unibrew launched a share buy-back program of up to DKK 300 million for the period from 2 March 2022 to 30 June 2022 with the aim to adjust the capital structure of Royal Unibrew A/S. The share buy-back program was completed on 29 June 2022 with an accumulated 490,335 shares acquired under the program at a total cost of DKK 300 million. The share buy-back program was carried out in accordance with the "Safe Harbour" method.

Part of the Hansa Borg transaction was paid in a combination of treasury shares (794,257) and new shares (1,400,000). The capital increase corresponded to 2.87% of the existing share capital in Royal Unibrew A/S, and after the capital increase, the share capital of Royal Unibrew A/S amounts to DKK 100,400,000 nominal value divided into 50,200,000 shares of nominally DKK 2 per share.

At completion of the share buy-back program, Royal Unibrew owned a total of 576,952 shares (of nominally DKK 2), corresponding to 1.1% of the company's total share capital.

Launch of Long-Term Incentive Plan for key employees

In May 2022, Royal Unibrew launched a new share based Long-Term Incentive Plan (LTIP) for selected key employees for 2022.

The LTIP implies the grant of a number of Performance Share Units (PSU) to each key employee and are granted in 2022 for vesting in 2024.

Please find more information in company announcement no 27/2022 of 24 May 2022.

Financial Review

Income Statement

	Q2 2022	Q2 2021	% change	H1 2022	H1 2021	% change	FY 2021
Volumes (tHL)	3,840	3,421	12	6,500	5,957	9	12,332
Net revenue (mDKK)	3,211	2,300	40	5,373	3,905	38	8,746
Gross Profit (mDKK)	1,485	1,178	26	2,436	1,926	26	4,256

Volumes for H1 2022 showed an aggregated sale of 6.5 million hectolitres of beverages, which was 9% higher than the same period in 2021.

Net revenue for H1 2022 increased by 38% and amounted to DKK 5,373 million compared to DKK 3,905 million for the same period in 2021. The net revenue increased in all segments due to price increases and acquisitions.

The gross profit for H1 2022 was DKK 510 million above the H1 2021 figure and amounted to DKK 2,436 million equivalent to a 26% increase (Q2 2022: 26%). The gross margin was 4.0 percentage points below the H1 2021 margin (Q2 2022: 5.0 pp) and represented 45.3% compared to 49.3% for H1 2021. Gross profit per volume unit was 5.2% higher (Q2 2022: 4.3% higher) than in 2021.

	Q2 2022	Q2 2021	% change	H1 2022	H1 2021	% change	FY 2021
Sales and distribution expenses (mDKK)	841	547	54	1,455	976	49	2,189
Administrative expenses (mDKK)	133	110	21	261	200	31	415

Sales and distribution expenses for H1 2022 were DKK 479 million higher than the same period in 2021 and amounted to DKK 1,455 million compared to DKK 976 million for H1 2021.

Administrative expenses for H1 2022 showed a DKK 61 million increase compared to the same period in 2021 and amounted to DKK 261 million compared to DKK 200 million for H1 2021.

Advisory costs related to acquisitions are included in administrative expenses.

	Q2 2022	Q2 2021	% change	H1 2022	H1 2021	% change	FY 2021
EBITDA (mDKK)	623	609	2	940	927	1	2,020
EBIT (mDKK)	511	521	-2	720	750	-4	1,652
Result after tax from investments (mDKK)	355	14	n/m	351	15	n/m	37
Net financial expenses (mDKK)	-15	-9	67	-25	-16	56	-42

Earnings before interest, tax, depreciation and amortization (EBITDA) for H1 2022 showed a DKK 13 million increase and amounted to DKK 940 million compared to DKK 927 million for H1 2021. In Q2 2022, EBITDA increased by DKK 14 million compared to the same period in 2021. EBIT for H1 2022 amounted to DKK 720 million, which is DKK 30 million lower than the same period in 2021, caused by the inflationary pressure on our costs and investments in our organization.

The EBIT margin for H1 2022 was 13.4% and declined by 5.8 percentage points compared to H1 2021, whereof around 1.2 percentage points was due to acquisitions. Income after tax from investments amount to DKK 351 million as the revaluation of the 25% ownership that Royal Unibrew had in Hansa Borg led to a tax-free profit of DKK 360 million. Net Interest expenses for H1 2022 at DKK 25 million were DKK 9 million above last year.

	Q2 2022	Q2 2021	% change	H1 2022	H1 2021	% change	FY 2021
Profit before tax (mDKK)	851	526	62	1,046	749	40	1,647
Tax on Profit (mDKK)	-79	-109	-28	-120	-155	-23	-349
Net profit (mDKK)	772	417	85	926	594	56	1,298
Earnings per share (DKK)	15.6	8.6		19.2	12.3		26.5

Profit before tax for H1 2022 was DKK 297 million higher than the same period in 2021 and amounted to DKK 1,046 million compared to DKK 749 million for H1 2021 and was positively impacted by the revaluation of the shares in Hansa Borg.

Tax on the profit for H1 2022 was an expense of DKK 120 million. The tax has been calculated on the basis of an expected full-year tax rate of approx. 21% on the profit, excluding result after tax from investments in associates.

The net profit for H1 2022 amounted to DKK 926 million, which is DKK 332 million higher compared to H1 2021 figure. The earnings per share in H1 2022 increased to DKK 19.2 per share compared to 12.3 for the same period in 2021, positively impacted by the revaluation of the shares in Hansa Borg.

Balance Sheet

The balance sheet amounted to DKK 14,651 million at H1 2022 which is DKK 3,737 million above year end 2021. The increase is mainly due to acquisitions in Norway (Solera and Hansa Borg).

	H1 2022	H1 2021	% change	H1 2022	FY 2021	% change
Invested capital (mDKK)	9,815	5,908	67	9,815	7,450	32

Invested capital increased by DKK 2,365 million in the period from 31 December 2021 to 30 June 2022. ROIC excluding goodwill calculated on a running 12-month basis decreased by 10 percentage point to 24% in H1 2022. ROIC including goodwill decreased by 6 percentage point to 15% by the end of H1 2022, impacted by the acquisitions.

	H1 2022	H1 2021	Change % point	H1 2022	FY 2021	Change % point
ROIC incl. Goodwill (running 12-months)	15	21	-6	15	19	-4
ROIC excl. Goodwill (running 12-months)	24	34	-10	24	32	-8

Equity at the end of June 2022 amounted to DKK 4,574 million compared to DKK 3,342 million at the end of 2021. The change in H1 2022 equity consists of positive comprehensive income

of DKK 920 million (H1 2021: 600 million) along with share-based payment of DKK 3 million, net proceed from issue of new shares of DKK 824 million, change in minority shares of DKK 10 million and transfer of treasury shares of DKK 467 and negatively affected by paid out dividend of DKK 692 million and share buy-back programs of DKK 300.

The equity ratio is unchanged compared to 31 December 2021 representing 31% on 30 June 2022.

	H1 2022	H1 2021	% change	H1 2022	FY 2021	% change
Net Interest Bearing Debt (NBID) (mDKK)	4,416	2,618	68	4,416	3,536	25

Net interest-bearing debt for H1 2022 showed a DKK 880 million increase (H1 2021: decrease 425 million) and amounted to DKK 4,416 million compared to DKK 3,536 million end of year 2021. Increase in net interest-bearing debt comprised the positive free cash flow of DKK 310 million net less DKK 18 million related to fixed asset investments, less dividend payments of DKK 692 million, share buy-back of DKK 300 million, DKK 22 million related to acquisitions and adjustment for DKK 158 million in net leasing facilities. The net interest-bearing debt to EBITDA ratio (running 12-months basis) was 2.2 (H1 2021: 1.3).

Funds tied up in net working capital was DKK -1,080 million at the end of June 2022 (30 June 2021: DKK -990 million) compared to DKK -1,102 million at the end of 2021. Funds tied up in working capital thus increased by DKK 22 million compared to end of 2021 (H1 2021: decrease of DKK 115 million). Funds tied up in inventories, trade receivables and trade payables showed an increase of DKK 678 million compared to end of 2021 (H1 2021: increase of DKK 232 million) mainly due to higher debtors and impact from acquisitions, whereas funds tied up in the other elements of working capital decreased by DKK 700 million affected by acquisitions (H1 2021: decrease of DKK 347 million).

Cash Flow Statement

Cash flows from operating activities for H1 2022 amounted to DKK 562 million (H1 2021: DKK 885 million) comprising DKK 943 million (H1 2021: DKK 929 million) of profit for the period adjusted for non-cash operating items, negative working capital of DKK 247 million (H1 2021: a positive DKK 81 million), net interest paid of DKK 26 million (H1 2021: DKK 16 million) and taxes paid of DKK 108 million (H1 2021: DKK 109 million). The development in working capital has been negatively affected by increased receivables in Western Europe, as well as negative impact from acquisitions.

The free cash flow for H1 2022 amounted to DKK 310 million, which was a decrease of DKK 373 million compared to H1 2021. In H1 2022, cash flows from operating activities showed a DKK 323 million decrease compared to H1 2021 and net investments in property, plant and equipment showed a DKK 53 million increase, and acquisitions DKK 12. Dividend received from associates increased DKK 15 million.

Developments in Individual Market Segments

Northern Europe

	Q2 2022	Q2 2021	% change	H1 2022	H1 2021	% change	FY 2021
Volumes (Thousand hectolitres)	2.874	2.701	6	4.897	4.667	5	9.678
Organic volume growth (%)	-2	7		-2	10		6
Net revenue (mDKK)	2.444	1.729	41	4.052	2.878	41	6.605
Organic net revenue growth (%)	11	11		12	8		8
EBIT (mDKK)				537	543	-1	1.249
Organic EBIT growth (%)				-9	3		3
EBIT margin (%)				13,3	18,9		18,9

Net revenue (mDKK) – selected countries	Q2 2022	Q2 2021	% change	H1 2022	H1 2021	% change	FY 2021
Denmark	866	779	11	1.494	1.302	15	2.814
Finland	855	704	21	1.405	1.168	20	2.569
Norway	356	1	n/m	535	2	n/m	277
Sweden	112	6	n/m	188	10	n/m	118
Baltics	256	239	7	429	398	8	827

The **Northern Europe** segment consists of our multi-beverage businesses in Finland, Norway, Sweden, the Baltic countries, Denmark and Germany. Northern Europe accounted for 75% of both group volumes and net revenue in H1 2022 (H1 2021: 78% and 74%, respectively).

In Q2 2022, volumes increased by 6% in Northern Europe compared to the same period in 2021, resulting in a 5% increase in H1 2022. Adjusting for acquisitions, the organic volume growth rates were -2% for Q2 2022 and -2% for H1 2022. Net revenue increased by 41% in the quarter and net revenue for H1 2022 was 41% above 2021. The organic growth was 11% for the quarter and 12% for the first half of 2022.

The strong topline momentum is a combination of the re-opening of the On-Trade and the price increases implemented during Q1 2022.

The reported EBIT margin in H1 2022 decreased by 5.6 percentage points y/y to 13.3%. The organic EBIT margin declined by 3.5 percentage points to 15.3% in H1 2022.

EBIT for H1 2022 declined by DKK 4 million to DKK 537 million. The weaker profitability is due to higher input costs, costs related to acquisitions as well as the result of the investments we have done to strengthen the organization.

The development in **Denmark and Germany** was positively impacted by the re-opening of the On-Trade, but negatively impacted by a declining Off-Trade as consumers has shifted consumption towards more out-of-home occasions as well as Of-Trade sales has moved back to the Border. Overall beer and CSD sales developed flattish in H1 2022, while energy drinks and cider/RTD's grew by double-digit percentages.

The second quarter of the year also marked the first quarter in two years with the events business back at 2019 levels. The re-start of festivals, concerts, sports and other cultural events have clearly supported the strong topline momentum, as people has been very eager to get out and enjoy life again after two years of restrictions.

Royal Unibrew was once again voted “best supplier” at head office level by Danish grocery retail, and won the “Shopper Marketing Excellence of the year” award at MLDK (Branded Manufacturers Association), an award given by customers and colleagues for the category work within craft beer and no/low alcohol at one of our retail customers.

Together with the food waste app, TooGoodToGo, and local football fan clubs, an attempt to reduce food waste was carried out. Products close to the “best before” date was sold with a

discount to the fan clubs' members to secure that the products did not become obsolete and wasted.

Towards the end of Q2 2022, the Danish organization closed an international distribution agreement with Rebæl to sell and distribute their high-end and super premium hand-brewed lemonade, gastrojuice and cocktails.

In **Finland**, the On-Trade re-opening contributed positively to the volume development in both Q2 and H1 2022, but a decline in Off-Trade sales resulted in an overall volume decline for H1 2022. Volumes increased in the second quarter. Cider/RTD continues to perform well, and volumes grew by double-digits in the first half of 2022. Product launches within the Novelle brand continues to build the brand, and our water category grew mid-single-digit percentages in Q2 as well as the first half of 2022. Beer volumes declined in H1 2022, because we participated in an extraordinary beer campaign in Q1 2021.

Our iconic RTD brand, Original Long Drink, is turning 70 years old this year, and the brand is stronger than ever in the market. It is among other things celebrated by the release of new flavors, whereas the official birthday was celebrated in August at the Flow Festival in Helsinki.

Solera Finland was integrated into the Finnish business during the first half of 2022 and is now on our IT platform, which means that we also start to see the first synergies realized.

The Baltic countries had a strong underlying development when adjusted for the missing sale to Russia. The focus on high margin products resulted in double-digit percentage growth in both energy drinks and cider/RTD in H1 2022, and our market share within these categories continues to increase.

In **Norway** and **Sweden**, the integration of Solera and Hansa Borg is progressing as planned. In Norway, we have set the management team for the combined business of Hansa Borg and Solera Norway and have started to build the commercial plans for the business. Hansa Borg has gained share in beer during H1 2022. In Sweden, we continue to invest in strengthening and future proofing the organization.

Western Europe

	Q2 2022	Q2 2021	% change	H1 2022	H1 2021	% change	FY 2021
Volumes (Thousand hectolitres)	601	391	54	924	621	49	1,346
Organic volume growth (%)	42	41		35	27		23
Net revenue (mDKK)	456	331	38	762	542	41	1,168
Organic net revenue growth (%)	26	53		28	34		26
EBIT (mDKK)				129	124	4	242
Organic EBIT growth (%)				-16	87		28
EBIT margin (%)				16,9	22,9		20,7

Western Europe consists of our multi-niche businesses in Italy and France and accounted for 14% of both group volumes and net revenue in H1 2022 (H1 2021: 10% of volumes and 14% of net revenue).

In Q2 2022, volumes increased by 54% in Western Europe compared to the same period in 2021, resulting in a 49% increase in H1 2022. Adjusting for acquisitions, the organic volume growth rates were 42% for Q2 2022 and 35% for H1 2022. Net revenue increased by 38% in the quarter, meaning that net revenue for H1 2022 was 41% above 2021. Adjusted for acquisitions, the organic growth was 26% for the quarter and 28% for the first half of 2022.

Both On- and Off-Trade is up against first half of 2021, but the very strong growth has also been accompanied by higher cost.

The reported EBIT margin in H1 2022 decreased by 6 percentage points y/y to 16.9%. The organic EBIT margin declined by 7.9 percentage points to 15.0% in H1 2022.

EBIT for H1 2022 increased by DKK 5 million to DKK 129 million. The weaker profitability is due to higher input costs, including transportation costs, as well as the result of the investments we have done to strengthen the brands and the organization.

In **Italy**, we continue to grow our business in all categories and all channels. In the first half of 2022, we more than doubled our energy drinks volumes compared to the first half of 2021. We

are now a clear number three in the Italian market with our Lemonsoda Energy Activator with a market share of 4%. Both our super premium beer brand, Ceres, and our Lemonsoda CSD range grew by double-digit percentages in H1 2022. We continue to be the market leader in the lemon segment in the Italian CSD market.

Our energy drinks business in **France** continues to grow. The Lorina lemonade business declined in H1 2022 as consumption moved from retail to On-Trade where Lorina has limited presence. We have completed the integration and merger of our three companies in France, and the merged organization is now ready and prepared to focus entirely on growing our french activities.

International

	Q2 2022	Q2 2021	% change	H1 2022	H1 2021	% change	FY 2021
Volumes (Thousand hectolitres)	364	328	11	679	669	2	1.308
Organic volume growth (%)	11	15		2	23		21
Net revenue (mDKK)	310	240	29	560	485	15	973
Organic net revenue growth (%)	29	16		15	21		21
EBIT (mDKK)				67	95	-30	183
Organic EBIT growth (%)				-29	18		7
EBIT margin (%)				12,0	19,6		18,9

The **International** segment comprises the export and license business in markets outside Denmark, Finland, Norway, Sweden, Italy, France and the Baltic countries. In H1 2022, International accounted for 10% of group volumes and 10% of group net revenue (H1 2021: 11% and 12%, respectively).

Volumes for H1 2022 showed a 2% increase, whereas net revenue increased by 15%. Growth was higher in Q2 2022 at 11% and 29%, respectively. The acceleration in growth rates, compared to recent quarters, magnifies the potential we see in the International markets, as the segment still suffers from being down-prioritized due to capacity constraints in our supply-chain. As a result, customer stocks have been lowered during H1 2022, as sales-out continues to be higher than sell-in, keeping stock levels below normal.

EBIT for H1 2022 amounted to DKK 67 million, which was DKK 28 million below the H1 2021 result. The margin decline from 19.6% to 12.0% in H1 2022 is driven by higher raw material and logistic costs.

Our African beer business and our malt beverage business continues to grow in H1 2022 at the same time as our North American business showed strong growth across all key categories.

After the end of Q2 2022, on 15 July 2022, the agreement to acquire 100% of the Toronto-based Amsterdam Brewery Co. Ltd. Our North American business has grown over recent years but is currently challenged by high freight costs and longer and more unpredictable logistical supply chains. The export business model has had natural limitations on both breadth and depth of the offered product portfolio and local production capacity will make us a more flexible supplier.

Management's Statement

The Executive Board and the Board of Directors have presented the Interim Report of Royal Unibrew A/S. The Interim Report has today been considered and adopted.

The Interim Report, which has not been audited or reviewed by the Company's independent auditors, was prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for listed companies.

In our opinion, the Interim Financial Statements give a true and fair view of the financial position of the Group at 30 June 2022 as well as of the results of the Group operations and cash flows for the period 1 January – 30 June 2022.

In our Opinion, Management's Review gives a true and fair account of the development in the activities and financial circumstances of the Group, of results of operations for the period and of the overall financial position of the Group, and a description of the key risks and uncertainties facing the Group.

Faxe, 17 August 2022

Executive Management

Lars Jensen
President & CEO

Lars Vestergaard
CFO

Board of Directors

Peter Ruzicka
Chairman

Jais Valeur
Deputy Chairman

Martin Alsø

Torben Carlsen

Michael Nielsen

Heidi Kleinbach-Sauter

Claus Kærgaard

Christian Sagild

Catharina Stackelberg-Hammarén

For further information on this Announcement:

Investor Relations, Jonas Guldborg Hansen, tel. +45 20 10 12 45

It will be possible for investors and analysts to follow Royal Unibrew's presentation of the Interim Report on Thursday, 18 August 2022, at 9.00 am CEST by notified webcast conference:

Telephone conference

Access details for participants:

<http://services.choruscall.it/DiamondPassRegistration/register?confirmationNumber=2612873&linkSecurityString=2eb3ccbae>

Webcast Player URL

<https://edge.media-server.com/mmc/p/pr53tn9j>

Financial Calendar for 2022

8 November 2022 Trading statement for the period 1 January – 30 September 2022

Forward-looking Statements

This Interim Report 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.

Consolidated Income Statement

mDKK	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Net revenue	3,211	2,300	5,373	3,905	8,746
Production costs	-1,726	-1,122	-2,937	-1,979	-4,490
Gross profit	1,485	1,178	2,436	1,926	4,256
Sales and distribution expenses	-841	-547	-1,455	-976	-2,189
Administrative expenses	-133	-110	-261	-200	-415
EBIT	511	521	720	750	1,652
Income after tax from investments in associates	-5	14	-9	15	37
Gain on remeasurement of investments in associates	360	0	360	0	0
Financial income	-2	0	1	3	7
Financial expenses	-13	-9	-26	-19	-49
Profit before tax	851	526	1,046	749	1,647
Tax on the profit for the period	-79	-109	-120	-155	-349
Net profit for the period	772	417	926	594	1,298
Profit for the period is attributable to:					
Equity holders of Royal Unibrew A/S	772	417	927	595	1,299
Non-controlling interests	0	0	-1	-1	-1
Net profit for the period	772	417	926	594	1,298
Earnings per share (DKK)	15.6	8.6	19.2	12.3	26.5
Diluted earnings per share (DKK)	15.6	8.6	19.2	12.3	26.5

mDKK	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Net profit for the period	772	417	926	594	1,298
Other comprehensive income					
<i>Items that may be reclassified to the income statement:</i>					
Exchange adjustments of foreign group enterprises	9	-4	12	3	6
Value adjustment of hedging instruments	-66	0	-19	3	5
Tax on value adjustment of hedging instruments	1	1	1	0	-2
Total	-56	-3	-6	6	9
<i>Items that may not be reclassified to the income statement:</i>					
Actuarial gain on pension schemes	0	0	0	0	3
Total	0	0	0	0	3
Other comprehensive income after tax	-56	-3	-6	6	12
Total comprehensive income	716	414	920	600	1,310
Comprehensive income for the period is attributable to:					
Equity holders of Royal Unibrew A/S	-716	415	921	601	1,311
Non-controlling interests	0	-1	-1	-1	-1
Net profit for the period	716	414	920	600	1,310

Consolidated Balance Sheet

Assets				Liabilities and Equity			
mDKK	30/6 2022	30/6 2021	31/12 2021	mDKK	30/6 2022	30/6 2021	31/12 2021
NON-CURRENT ASSETS				EQUITY			
Intangible assets	7,449	4,411	5,861	Share capital	100	98	98
Property, plant and equipment	3,532	2,556	2,734	Other reserves	1,534	717	716
Investments in associates	93	138	153	Retained earnings	2,940	2,061	1,808
Other non-current investments	69	18	23	Proposed dividend	0	0	708
Non-current assets	11,143	7,123	8,771	Equity contributable to equity holders of Royal Unibrew A/S	4,574	2,876	3,330
CURRENT ASSETS				Non-controlling interests	0	13	12
Inventories	1,187	635	780	Equity	4,574	2,889	3,342
Receivables	2,018	1,223	1,188	LIABILITIES			
Prepayments	117	70	89	Non-current liabilities			
Cash and cash equivalents	186	50	86	Deferred tax	987	557	747
Current assets	3,508	1,978	2,143	Mortgage debt	985	831	1,003
Assets	14,651	9,101	10,914	Credit institutions	1,739	982	1,995
				Other payables	28	17	26
				Non-current liabilities	3,739	2,387	3,771
				Current liabilities			
				Mortgage debt	30	17	14
				Credit institutions	1,848	838	610
				Trade payables	2,280	1,517	1,721
				Provisions	10	10	11
				Corporation tax	61	52	18
				Other payables	2,109	1,391	1,427
				Current liabilities	6,338	3,825	3,801
				Liabilities	10,077	6,212	7,572
				Liabilities and equity	14,651	9,101	10,914

Consolidated Cash Flow Statement

for 1 January – 30 June

mDKK	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Net profit for the period	771	417	926	594	1,298
Adjustments for non-cash operating items:					
Change in working capital	288	338	-247	81	104
Net paid financial expenses and income	-17	-8	-26	-15	-42
Financial expenses related to leasing	0	0	0	-1	-1
Corporation tax paid	-50	-40	-108	-109	-332
Cash flows from operating activities	845	900	562	885	1,753
Dividend received from associates	3	1	27	12	21
Sale of property, plant and equipment	2	4	3	5	16
Purchase of property, plant and equipment	-152	-102	-234	-183	-426
Acquisition of enterprises	-24	-3	-24	-10	-1,218
Purchase/sale of intangible assets and fixed asset investments	-17	0	-18	1	3
Cash flows from investing activities	-188	-100	-246	-175	-1,604
External financing	353	59	822	284	1,161
Repayment on leasing facilities	-29	-18	-48	-36	-68
Dividend paid to shareholders	-692	-657	-692	-657	-653
Dividends to minority shareholders	0	0	0	0	-4
Acquisition of shares for treasury	-200	-190	-300	-332	-582
Cash flows from financing activities	-568	-806	-218	-741	-146

mDKK	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Change in cash and cash equivalents	89	-6	98	-31	3
Cash and cash equivalents at beginning	97	57	86	81	81
Exchange adjustment	0	-1	2	0	2
Cash and cash equivalents at 30 June 2022	188	50	186	50	86
Free cash flow					
Net cash from operating activities	845	900	562	885	1,753
Net cash used in investing activities	-147	-97	-204	-166	-389
Payment of lease liabilities	-29	-18	-48	-36	-68
Free cash flow	669	785	310	683	1,296

Consolidated Statement of Changes in Equity

for 1 January – 30 June

mDKK	Share capital	Share premium account	Translation reserve	Hedging reserve	Total other reserves	Retained earnings	Proposed dividend for the year	Parent Company share of equity	Minority share	Total
Equity at 31 December 2021	98	753	-47	13	719	1,805	708	3,330	12	3,342
Changes in equity in 2022										
Net profit for the year					0	927		927	-1	926
Other comprehensive income			12	-19	-7			-7		-7
Tax on other comprehensive income					0	1		1		1
Total comprehensive income	0	0	12	-19	-7	928	0	921	-1	920
Capital increase	2	1,063			1,063			1,065	0	1,065
Capital increase adjustment to fair value		-241			-241			-241	0	-241
Minority's share of sold business					0	21		21	-11	10
Dividends paid to shareholders					0		-692	-692		-692
Dividend on treasury shares					0	16	-16	0		0
Acquisition of shares for treasury					0	-300		-300		-300
Transfer of treasury shares as acquisition of enterprise					0	467		467	0	467
Proposed dividend					0	0		0		0
Capital reduction					0	0		0		0
Share-based payments					0	3		3		3
Minority share transaktions					0			0		0
Tax on changes in equity, shareholders					0			0		0
Total shareholders	2	822	0	0	822	207	-708	323	-11	312
Total changes in equity 1/1-30/6 2022	2	822	12	-19	815	1,135	-708	1,244	-12	1,232
Equity at 30 June 2022	100	1,575	-35	-6	1,534	2,940	0	4,574	0	4,574

The share capital at 30 June 2022 amounts to DKK 100,400,000 (2021: DKK 97,600,000) and is distributed on shares of DKK 2 each.

Consolidated Statement of Changes in Equity

for 1 January – 30 June 2021

mDKK	Share capital	Share premium account	Translation reserve	Hedging reserve	Total other reserves	Retained earnings	Proposed dividend for the year	Parent Company share of equity	Minority share	Total
Equity at 31 December 2020	99	761	-53	8	716	1,827	666	3,308	24	3,332
Changes in equity in 2021										
Net profit for the year					0	595		595	-1	594
Other comprehensive income			6	3	9	-3		6		6
Total comprehensive income	0	0	6	3	9	592	0	601	-1	600
Dividends paid to shareholders					0		-654	-654	-3	-657
Dividend on treasury shares					0	12	-12	0		0
Change in liability to minority shareholders					0	-49		-49	-7	-56
Acquisition of shares for treasury					0	-332		-332		-332
Capital reduction	-1	-8			-8	9		0		0
Share-based payments					0	2		2		2
Total shareholders	-1	-8	0	0	-8	-358	-666	-1,033	-10	-1,043
Total changes in equity 1/1-30/6 2021	-1	-8	6	3	1	234	-666	-432	-11	-443
Equity at 30 June 2021	98	753	-47	11	717	2,061	0	2,876	13	2,889

Notes to the Interim Report

Note 1 Significant Accounting Policies; Accounting Estimates and Judgements

The Interim Report is presented in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

The Annual Report for 2021 provides the total description of accounting policies significant to the Financial Statements.

Accounting Estimates and Judgements

The preparation of interim financial reporting requires that Management make accounting estimates and judgements which affect the application of accounting policies and recognized assets, liabilities, income and expenses. Actual results may deviate from these estimates.

Change in segment reporting

Compared to the Annual Report 2021, the segmentation has been changed in 2022 as a result of the acquisitions made end of 2021 and in 2022.

New segments are Northern Europe, Western Europe and International. Northern Europe will include Finland, Norway, Sweden, the Baltic countries, Denmark and Germany.

Western Europe will include Italy and France, whereas International will continue being the businesses outside of these key markets

Please find more information on page 23

Note 2 Assets and Derivative Financial Instruments Measured at Fair Value

mDKK	30/6 2022	30/6 2021	31/12 2021
Derivative financial instruments	-6	11	13

Derivative financial instruments are classified as level-2 instruments in the IFRS fair value hierarchy. The determined fair value of derivative financial instruments is based on observable market data such as yield curves or forward rates.

The fair value of the total debt is assessed to correspond to carrying amount.

Notes to the Interim Report

Note 3 Segment Reporting

The Group's results break down as follows on segments:

H1 2022

mDKK	Northern Europe	Western Europe	Inter-national	Un-allocated	Total
Net revenue	4,052	762	560		5,373
Earnings before interest and tax (EBIT)	537	129	67	-13	720
Share of income from associates	351				351
Other financial income and expenses	-18	-5	0	-2	-25
Profit/loss before tax for the period	870	125	66	-15	1,046
Tax on the profit/loss for the period				-120	-120
Net profit for the period					926
EBIT margin, %	13.3	16.9	12.0		13.4
Volumes, beverages (thousand hectolitres)	4,897	924	679		6,500

H1 2021

mDKK	Northern Europe	Western Europe	Inter-national	Un-allocated	Total
Net revenue	2,878	542	485		3,905
Earnings before interest and tax (EBIT)	543	124	95	-11	750
Share of income from associates	15				15
Other financial income and expenses	-4	-1	0	-11	-16
Profit/loss before tax for the period	552	123	95	-22	749
Tax on the profit/loss for the period				-155	-155
Net profit for the period					594
EBIT margin, %	18.9	29.9	19.6		19.2
Volumes, beverages (thousand hectolitres)	4,667	621	669		5,957

Notes to the Interim Report

Note 3 Segment Reporting (continued)

The Group's results break down as follows on segments:

FY 2021

mDKK	Northern Europe	Western Europe	Inter-national	Un-allocated	Total
Net revenue	6,605	1,168	973		8,746
Earnings before interest and tax (EBIT)	1,249	242	183	-23	1,652
Share of income from associates	37				37
Other financial income and expenses	-17	-6	0	-19	-42
Profit/loss before tax for the period	1,269	238	184	-42	1,647
Tax on the profit/loss for the period				-349	-349
Net profit for the period					1,298
EBIT margin, %	18.9	20.8	18.8		18.9
Volumes, beverages (thousand hectolitres)	9,678	1,346	1,308		12,332

Note 4 Cash Flow Statement

mDKK	H1 2022	H1 2021	FY 2021
Adjustments for non-cash operating items			
Financial income	-1	-3	-7
Financial expenses	26	19	49
Amortization, depreciation and impairment of intangible assets and property, plant and equipment	221	181	381
Tax on the profit for the period	120	155	349
Result from investments in associates	9	-15	-37
Gain on remeasurements	-360	0	0
Profit and loss on sale of property, plant and equipment	-1	-4	-13
Share-based remuneration and payments	3	2	4
Total	17	335	726

Notes to the Interim Report

Note 5 Acquisition and disposal of subsidiaries and activities

Acquisitions in H1 2022

The purchase price allocation for the Hansa Borg acquisition is considered provisional due to the fact that the transaction was closed on 25 May 2022, leaving limited time to identify and determine fair value of assets acquired and liabilities assumed. On 7 January 2022, Royal Unibrew A/S entered into an agreement to acquire the remaining 75% of Hansa Borg Bryggerier, of which Royal Unibrew already had 25% ownership, resulting in a 100% ownership of the company. The acquisition was completed on 25 May 2022. Hansa Borg Bryggerier is Norway's second largest brewery and beverage company with four breweries and one bottling plant throughout the country and products ranging from beers to ciders, CSD's, waters and wines for the Norwegian market.

Together with Solera Beverage Group, which Royal Unibrew acquired in September 2021, Hansa Borg Bryggerier is strategically very important for our Norwegian business as it, in combination with Solera, will create a strong player with a very strong beverage portfolio in Norway and thereby strengthen our multi beverage presence.

The transaction is based on an enterprise value (at signing) of NOK 3.3 billion. With the share price at closing (587) the final enterprise value for 100% of the company was NOK 2.6 billion (DKK 1.9 billion) Hansa Borg Bryggerier is expected to generate normalized full-year revenue in 2022 of around NOK 1.4 billion with a normalized EBITDA of around NOK 210 million, resulting in an acquisition multiple (EV/EBITDA) of 12.4 times at closing. The already owned 25% of Hansa Borg was revalued in connection with the transaction, resulting in a non-cash tax-free remeasurement of DKK 360 million

According to the agreement, 10% of the payment, corresponding to NOK 224 million (DKK 162 million), was paid in cash, while the remaining 90% of the payment was paid in Royal Unibrew shares (2,194,257 shares).

The acquisition price exceeding the fair value of the acquired assets, liabilities and contingent liabilities. The difference is the expected value of synergies and future growth opportunities. Synergies are not recognized separately from goodwill. Goodwill is not eligible for tax depreciation.

Royal Unibrew A/S has incurred transaction costs relating to the acquisitions of approx. DKK 5 million for financial and legal advisors in connection with the realization of the transaction. The costs are recognized as administrative expenses and split equally in 2021 and 2022.

The acquisition has been included in the Consolidated Financial Statements of Royal Unibrew as of the date of acquisition. Royal Unibrew has made the following calculation of the fair value of the acquired net assets and of goodwill at the time of the acquisition.

mDKK	
Trademarks	731
Distributions rights	42
Customer relations	73
Property, plant and equipment	629
Inventories	143
Receivables	238
Prepayments	29
Deferred tax	-269
Debt including leasing	-34
Trade payables	-101
Other payables	-499
Acquired net assets	982
Goodwill	814
Estimated fair value of the business	1,796
Acquired cash at bank and in hand	138
Total acquisition price	1,934
Fair value of existing 25% shareholding	-483
Total acquisition price	1,451
<i>Transfer of;</i>	
Issue of new shares	824
Treasury shares	467
Cash	162
Total consideration, 75% shareholding	1,451
Number of employees	296

The receivables acquired include trade receivables of a fair value of DKK 180 million corresponding to the gross amount receivable according to contract.

Acquisition after the reporting period

On 15 July 2022, Royal Unibrew announced the agreement to acquire 100% of the Toronto-based company Amsterdam Brewery Co. Ltd. Closing is subject to customary preparations and is expected to close in Q3 2022. The acquisition is based on an enterprise value of CAD 44 million (around DKK 250 million) on a debt free basis. Amsterdam Brewery has normalized revenue of around CAD 34 million (around DKK 200 million) and a normalized annual EBITDA of around CAD 5 million (around DKK 28 million).

Notes to the Interim Report

Note 5 Acquisition and disposal of subsidiaries and activities (continued)

Acquisitions in 2021

A Finnish micro brewery

On 11 February 2021, Royal Unibrew's Finnish subsidiary, Hartwall, acquired the assets in Helsinki brewery, which strengthens Hartwall's flexibility and dedication to local craft and speciality beer further.

Bryggeri Helsinki will continue as an entrepreneur-driven brewery restaurant.

A Danish brewery and a softdrink company

On 29 April 2021, Royal Unibrew entered into an agreement to acquire 100% of the shares in the Danish companies Bryggeriet S.C. Fuglsang A/S and Mineralvandsfabrikken Frem A/S. The acquisition was completed on 29 April 2021.

The companies are primarily doing business in the southern part of Jutland based on local, wellknown beer- and CSD brands with a 150 year long history.

The companies were merged with Royal Unibrew at the closing date, and fully integrated into Royal Unibrew systems.

An Estonian micro brewery

On 14 September 2021, Royal Unibrew's Estonian subsidiary, Royal Unibrew Eesti, acquired 100% of the shares in Tanker brewery. The acquisition will strengthen the local footprint in Estonian market through an authentic super premium local beer brand and support full scale multi beverages strategy implementation in the region.

Transaction costs and consolidation

Royal Unibrew A/S has incurred transaction costs relating to the acquisitions of approx. DKK 1 million for legal advisors in connection with the realization of the three transactions. The costs are recognized as administrative expenses in 2021.

The three acquisitions have been included in the Consolidated Financial Statements of Royal Unibrew as of the date of acquisition.

Royal Unibrew has made the following calculation of the fair value of the acquired net assets and of goodwill at the time of acquisitions.

mDKK	
Intangibles	33
Property, plant and equipment	19
Inventories	21
Receivables	15
Prepayments	1
Deferred tax	-1
Trade payables	-4
Other payables	-9
Acquired net assets	75
Goodwill	11
Estimated fair value of the business	86
Acquired cash at bank and in hand	-40
Cash consideration	47
Number of employees	70

The receivables acquired include trade receivables of a fair value of DKK 8 million corresponding to the gross amount receivable according to contract.

Notes to the Interim Report

Note 5 Acquisition and disposal of subsidiaries and activities (continued)

Acquisition of MC Energy (A French energy drinks brand)

On 1 July 2021, Royal Unibrew's French subsidiary, Etablissement Geyer-Frères S.A, entered into an agreement to acquire the French beverage company MC Energy S.A.S. The acquisition was completed on 7 July 2021.

MC Energy owns the energy brand Crazy Tiger that holds a 11% volume market share in the French Off-Trade 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.

MC Energy was acquired from three French entrepreneurs at an enterprise value of around DKK 610 million (EUR 82 million) on a debt free basis. The acquisition was financed with existing credit facilities. MC Energy has around 25 employees.

Royal Unibrew A/S has incurred transaction costs relating to the acquisitions of approx. DKK 2 million for financial and legal advisors in connection with the realization of the transaction. The costs are recognized as administrative expenses in 2021.

The acquisition has been included in the Consolidated Financial Statements of Royal Unibrew as of the date of acquisition, and MC Energy was merged into Etablissement Geyer-Frères in 2021.

Royal Unibrew has made the following calculation of the fair value of the acquired net assets and of goodwill at the time of the acquisition.

mDKK	
Trademarks	392
Property, plant and equipment	3
Inventories	6
Receivables	19
Prepayments	0
Deferred tax	-98
Trade payables	-13
Other payables	-7
Acquired net assets	302
Goodwill	290
Estimated fair value of the business	592
Acquired cash at bank and in hand	17
Cash consideration	609
Number of employees	25

The receivables acquired include trade receivables of a fair value of DKK 19,3 million corresponding to the gross amount receivable according to contract.

Notes to the Interim Report

Note 5 Acquisition and disposal of subsidiaries and activities (continued)

Acquisition of Solera Beverage Group

On 1 July 2021, Royal Unibrew's Norwegian subsidiary, Royal Unibrew Norge AS, entered into an agreement to acquire 100% of the shares in Solera Beverage Group. The acquisition was completed on 17 September 2021.

Solera Beverage Group is a leading pan-Nordic importer and distributor of a portfolio of strong leading international wines, beers, CSD's and other beverages. The company is present in Norway, Sweden and Finland, and therefore adds Norway and Sweden to Royal Unibrew's geographic footprint as well as it strengthens the offering in Finland.

Solera Beverage Group was acquired from the private equity fund, CapMan, at an enterprise value of around DKK 770 million (NOK 1.1 billion) on a debt free basis. The acquisition was financed with existing credit facilities.

Solera Beverage Group has around 150 employees and generates normalized revenue (excluding positive COVID-19 effects) of around DKK 1.3 billion and an EBITDA of around DKK 70 million.

Royal Unibrew A/S has incurred transaction costs relating to the acquisitions of approx. DKK 14 million for financial and legal advisors in connection with the realization of the transaction. The costs are recognized as administrative expenses in 2021.

The acquisition has been included in the Consolidated Financial Statements of Royal Unibrew as of the date of acquisition.

Royal Unibrew has made the following calculation of the fair value of the acquired net assets and of goodwill at the time of the acquisition.

mDKK	
Trademarks	146
Customer relations	185
Property, plant and equipment	40
Inventories	155
Receivables	255
Prepayments	29
Deferred tax	-71
Trade payables	-193
Other payables	-387
Acquired net assets	159
Goodwill	439
Estimated fair value of the business	598
Acquired cash at bank and in hand	120
Cash consideration	718
Number of employees	150

The receivables acquired include trade receivables of a fair value of DKK 249,5 million corresponding to the gross amount receivable according to contract.

Financial highlights and ratios

per quarter

	Q1 2022	Q1 2021	Q2 2022	Q2 2021
Sales (Million hectolitres)	2,660	2,536	3,840	3,421
Income Statement (mDKK)				
Net revenue	2,162	1,605	3,211	2,300
EBITDA	317	318	623	609
EBITDA margin (%)	14.7	19.8	19.4	26.5
Earnings before interest and tax (EBIT)	209	229	511	521
EBIT margin (%)	9.7	14.3	15.9	22.7
Result after tax from investments	-4	1	355	14
Other financials, net	-10	-7	-15	-9
Profit before tax	195	223	851	526
Net profit for the period	154	177	772	417
Balance Sheet (mDKK)				
Non-current assets	8,780	7,031	11,143	7,123
Total assets	11,335	8,618	14,651	9,101
Equity	3,442	3,320	4,574	2,889
Net interest-bearing debt	4,012	2,448	4,416	2,618
Net working capital	-566	-682	-1,080	-990
Invested capital	8,064	6,172	9,815	5,908
Cash Flows (mDKK)				
From operating activities	-283	-15	845	900
From investing activities	-57	-69	-147	-97
Payment of lease liabilities	-19	-18	-29	-18
Free cash flow*	-359	-102	669	785

	Q1 2022	Q1 2021	Q2 2022	Q2 2021
Financial ratios (%)				
Free cash flow as a percentage of net revenue	-17	-6	21	34
Cash conversion	-233	-58	87	188
Net interest-bearing debt/EBITDA*	2.0	1.3	2.2	1.3
Equity ratio	30	39	31	32

* Running 12-months

Ratios comprised by the "Recommendations and Financial Ratios" issued by the Danish Society's Committee for accounting standards have been calculated according to the recommendations.

Financial highlights and ratios

for 1 January – 30 June 2018–2022

	2022	2021	2020	2019	2018
Sales (thousand hectolitres)	6,500	5,957	5,269	5,462	5,226
Income Statement (mDKK)					
Net revenue	5,373	3,905	3,457	3,971	3,518
EBITDA	940	927	833	879	800
EBITDA margin (%)	17.5	23.7	24.1	23.2	22.7
Earnings before interest and tax (EBIT)	720	750	663	710	641
EBIT margin (%)	13.4	19.2	19.2	18.7	18.2
Income after tax from investments in associates	351	15	4	9	9
Other financials, net	-25	-16	-19	-19	-14
Profit before tax	1,046	749	648	700	636
Net profit for the period	926	594	505	541	502
Balance Sheet (mDKK)					
Non-current assets	11,143	7,123	6,974	7,099	5,920
Total assets	14,651	9,101	8,837	8,907	7,445
Equity	4,574	2,889	3,545	2,663	2,554
Net interest-bearing debt	4,416	2,618	2,114	3,000	1,956
Net working capital	-1,080	-990	-650	-749	-928
Invested capital	9,815	5,908	6,076	6,068	4,814
Cash Flows (mDKK)					
From operating activities	562	885	702	715	700
From investing activities	-252	-202	-112	-102	-95
Free cash flow	310	683	590	613	605

	2022	2021	2020	2019	2018
Share Ratios (DKK per share of DKK 2)					
Earnings per share (EPS)	19.2	12.3	10.1	10.9	9.9
Free cash flow per share	6.2	14.2	12.0	12.3	11.9
Year-end price per share	628.4	798.8	551.8	479.0	508.5
Financial ratios (%)					
Free cash flow as a percentage of net revenue	6	17	17	16	17
Cash conversion	33	115	117	113	121
Net interest-bearing debt/EBITDA*	2.2	1.3	1.2	1.7	1.3
Equity ratio	31	32	40	30	34

* Running 12-months

Ratios comprised by the "Recommendations and Financial Ratios" issued by the Danish Society's Committee for accounting standards have been calculated according to the recommendations.