

## Financial developments in 2024 and outlook for 2025

### Financial developments in 2024

2024 was marked by high growth, strong commercial execution, and increasing free cash flow despite challenging market conditions and low consumer sentiment. Our multi-beverage platform has provided a solid foundation for growth, supplemented by strong commercial momentum in particularly in our niche/multi-niche markets.

	Q4 2024	Q4 2023	Change	FY 2024	FY 2023	Change
Volume (million hL)	4.2	4.0	5%	17.4	14.1	23%
Organic volume growth (%)	4	2		5	-3	
Net revenue (mDKK)	3,574	3,444	4%	15,036	12,927	16%
Organic net revenue growth (%)	3	6		6	4	
EBITDA (mDKK)	594	581	2%	2,634	2,208	19%
EBITDA margin (%)	16.6	16.9		17.5	17.1	
EBIT (mDKK)	427	421	1%	1,968	1,638	20%
Organic EBIT growth (%)	2	29		15	7	
EBIT margin (%)	11.9	12.2		13.1	12.7	
Free cash flow (mDKK)	403	388	4%	1,434	1,143	25%
NIBD/EBITDA (times)				2.2	2.9	

- Net revenue increased by 16% to DKK 15,036m (2023: DKK 12,927m), while organic growth was 6%
- EBIT increased by 20% to DKK 1,968m 2024 (2023: DKK 1,638m), while organic growth was 15%
- Free cash flow amounted to DKK 1,434m (2023: 1,143m)
- Earnings per share increased to DKK 29.2 (2023: DKK 21.9 per share), while adjusted earnings per share increased by 15% to DKK 25.1
- An extraordinary dividend of DKK 14.5 per share was paid out in October 2024, equivalent to DKK 726m related to the financial year 2023
- The proposed ordinary dividend for 2024 is DKK 15.0 per share equivalent to DKK 753m
- We launch a share buy-back program of DKK 250m, running until 15 August 2025

Lars Jensen, CEO comments on the results and developments: “2024 was a record year for Royal Unibrew with strong financial performance across the group. Over the past four years, we have nearly doubled in size, becoming stronger and more resilient. Our multi-beverage strategy, especially in the non-alcoholic sector with brands like Faxe Kondi, Jaffa, Royal Club and LemonSoda, has been highly effective and driving momentum through 2024 across most of our markets, despite a market characterized by low consumer confidence.

We have developed a robust growth model, and our expanded geographic footprint and platform have transformed our business, unlocking new local growth opportunities. Moving forward, we're focused on enhancing operational efficiency, maximizing returns on invested capital and capitalizing on scale benefits. I am very pleased with the strong execution, dedication, and hard work delivered by the entire organization throughout the year”.

### Full year outlook 2025 (inside information)

#### Outlook for 2025

	Outlook 2025	Actual 2024	Actual 2023
Net revenue	5-7% growth	DKK 15,036m	DKK 12,927m
EBIT	7-13% growth	DKK 1,968m	DKK 1,638m

- Net revenue growth is expected to be in the range of 5-7%, including impact from structural changes which is equivalent to 2.5% (2024: 16%).
- EBIT growth is expected to be in the range of 7-13% (2024: 20%), equivalent to total EBIT in the range of DKK 2,100-2,225m (2024: DKK 1,968m), including impact from structural changes. The new businesses in BeLux and Finland are only expected to contribute marginally to EBIT in 2025.
- The profitability will depend on consumer behavior and related impact on channel mix, as well as high season weather conditions

The full year outlook for 2025 is based on the following key assumptions:

- Continuation of the current challenging macro-economic environment and low consumer sentiment
- Stable demand in our markets and that Royal Unibrew will take market shares
- Improved operational efficiency

Other financial assumptions for 2025:

- Net financial expenses, excluding currency-related losses or gains, are expected to be around DKK 250m (2024: DKK 301m net financial expenses adjusted for sale of Polish shareholding)
- The effective tax rate is expected to be around 22% (2024: 21.5%)
- Capex is expected to be around 7% of net revenue (2024: 6%)

### **Financial developments in Q4 2024**

The fourth quarter was characterized by solid organic growth in both volumes and revenue, while EBIT growth was modest compared to a strong comparison quarter last year, which was positively impacted by one-off income related to the sale of a building in Norway (DKK 30m). Additionally, we invested substantially more in marketing in the fourth quarter this year (DKK 40m) and incurred costs related to the startup in Belgium (DKK 10m). Performance was particularly strong in Western Europe and International, while Northern Europe managed to protect profitability despite a negative price/mix development.

### **Market developments**

The positive momentum seen in previous quarters continued into the fourth quarter, however with varying activity level and differences between markets over the course of the quarter.

The Nordics continue to be impacted by negative consumer sentiment. While our multi-beverage offering provides stability, we are not immune to market developments simply because of our already strong position and high market share. In Western Europe and International, we are still a relatively small player, which allows us to grow even when the market is soft.

### **Volume and revenue**

Volumes increased by 5% to 4.2m hL in Q4 2024 (Q4 2023: 4.0m hL), resulting in an organic volume growth of 4% in the quarter. In Western Europe, volumes grew organically by 8% in the quarter, primarily as a result of market share gains in Italy in all categories, while Northern European volumes grew 5% organically, and International declined by 14%.

In Q4 2024, net revenue grew by 4% to DKK 3,574m (Q4 2023: DKK 3,444m) corresponding to an organic growth of 3%. Acquisitions' share of net revenue is diminishing, since Vrumona is no longer regarded as acquisitive revenue from Q4 2024. Net revenue in Northern Europe grew 2% organically and saw a negative price/mix in the quarter caused by a less favorable country mix. In Western Europe, net revenue grew by 12% organically due to solid momentum in all categories and particular strong performance in France and Italy. In International, net revenue was unchanged despite decline in volumes due to positive price/mix impact. The underlying sell-out growth in International was high single-digit.

### **Earnings and profitability**

Gross profit increased 5% to DKK 1,399m in Q4 2024 (Q4 2023: DKK 1,338m) as a result of revenue growth and efficiency improvements, resulting in a slightly increasing gross profit margin of 39.1% (Q4 2023: 38.9%).

Sales and distribution expenses increased by 4% in Q4 2024 to DKK 816m (Q4 2023: 781m) in line with volume growth. Marketing costs increased by DKK 40m, while logistics costs declined. Administrative expenses decreased by 6% to DKK 156m (Q4 2023: 166m) as a result of efficiency improvements and lower integration costs.

The EBIT result increased by 1% to DKK 427m (Q4 2023: 421m), equivalent to an EBIT margin of 11.9% (Q4 2023: 12.2%). The result was negatively impacted by DKK 10m related to startup in Belgium. Also, the EBIT result in Q4 2023 was positively impacted by one-off income of DKK 30m from the disposal of a site in Norway. Excluding one-off income in 2023, the increase in EBIT was DKK 36m, equivalent to 9%.

Net financial items amounted to DKK -84m in Q4 2024 (Q4 2023: DKK -86m).

While profit before tax was nearly unchanged at DKK 343m (Q4 2023: DKK 342m), net profit declined to DKK 231m (Q4 2023: DKK 246m), as a result of higher reported tax of DKK 111m (Q4 2023: DKK 96m). Consequently, earnings per share decreased by 6% to DKK 4.6 in Q4 2024 (Q4 2023: DKK 4.9).

### **Cash flow**

Free cash flow in Q4 amounted to DKK 403m, which is an increase of DKK 15m compared to same period last year (Q4 2023: DKK 388m). The increase was driven by changes in net working capital of DKK 239m offset by corporation tax paid of DKK 64m and increased level net cash used in investing activities, including payment of lease liabilities of net DKK 165m.

The Annual Report 2024 and related documents will be released later today.

For further information please contact:

Flemming Ole Nielsen (Head of Investor Relations)

E-mail: [Flemming.Nielsen@royalunibrew.com](mailto:Flemming.Nielsen@royalunibrew.com)

Telephone: +45 25 41 68 04

### **Telephone conference**

Investors and analysts are invited to register for and join a conference call with Royal Unibrew's Executive Management on Wednesday, February 26, 2025, at 10.00 am CET at the following link: <https://register.vevent.com/register/BIa4614be36b8d496bf884a365375a537>

Webcast player

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

For further information please contact:

Flemming Ole Nielsen (Head of Investor Relations)

E-mail: [Flemming.Nielsen@royalunibrew.com](mailto:Flemming.Nielsen@royalunibrew.com)

Telephone: +45 25 41 68 04

### **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.