



Solid results in a challenging environment

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FINANCIAL STATEMENT AS AT 31 DECEMBER 2023

ACCELERATE SAIL - INCREASING LONG-TERM AMBITIONS

Increasing commercial investments to accelerate compounding, long-term growth

- Accelerate SAIL with a sharpened focus on designated growth levers.
- Increased growth ambitions: long-term organic revenue growth of 4-6% CAGR (previously 3-5%) and organic operating profit growth above that.

CONTINUED VOLUME GROWTH IN ASIA

Group organic volume development -0.5%

- Organic volume development in Asia +3.7%, Western Europe -2.3% and Central & Eastern Europe -4.0%.
- Premium volume growth of 1%.
- Total volume growth of international brands: Tuborg +3%, Carlsberg 0%, 1664 Blanc +3%, Brooklyn +34% and Somersby -6%.
- Alcohol-free brews +3%.

STRONG REVENUE GROWTH, DRIVEN BY ALL REGIONS

Organic revenue growth 9.2%

- Reported revenue growth of 4.7% to DKK 73,585m.
- Organic revenue/hl +10%, with all regions contributing.

SOLID ORGANIC OPERATING PROFIT GROWTH

Organic operating profit growth 5.2%

- Operating profit growth reflecting strong revenue growth, partly offset by cost inflation and increased commercial investments.
- Reported operating profit before special items development of -3.2% to DKK 11,105m, impacted by currencies.
- Adjusted net profit for continuing operations at DKK 7,425m (-5%), impacted by higher finance costs and currency movements.
- Adjusted earnings per share for continuing operations of DKK 54.6 (-2%).
- Free operating cash flow of DKK 7,469m.

REPORTED NET PROFIT IMPACTED BY NON-CASH RECLASSIFICATIONS

- Deconsolidation of the Russian business resulting in accumulated losses on currency translation and hedges for the period of 2004 to 2023 of DKK 41,504m and impairment of DKK 7,002m.
- Reported net profit of DKK -40,788m, reflecting the deconsolidation of the Russian business.

DRIVING SHAREHOLDER VALUE

Total share buy-back and dividend payment for the year DKK 6.9bn

- NIBD/EBITDA 1.47x (2022: 1.23x).
- The Supervisory Board will propose to the Annual General Meeting a dividend of DKK 27 per share, equal to a total dividend payout of DKK 3.6bn.
- On 26 January 2024, the Group concluded the 2023 DKK 3bn share buy-back programme, and a new quarterly share buy-back programme amounting to DKK 1.0bn will be launched today.

2024 EARNINGS EXPECTATIONS

While the macroeconomic environment and impact on consumer behaviour remain uncertain, inflationary pressure is moderating. Consequently, we expect a more moderate increase in our total cost base than in previous years. We intend to

offset the higher total costs/hl in absolute terms through higher revenue/hl and continued tight cost control.

To position the Group for successful delivery of our increased long-term growth ambitions, we will step up commercial investments in 2024 in alignment with Accelerate SAIL. While keeping the ratio of SG&A to revenue flat, we intend to increase absolute sales and marketing investments, the latter by more than 10%. The majority of the incremental sales and marketing investments will be allocated to brand and route-to-market investments in China and Vietnam, premium brands in markets across our regions, digital capability projects and B2B e-commerce (eB2B).

Consequently, our earnings expectations for 2024 are:

- Organic operating profit growth of 1-5%.
- Based on the currency spot rates at 6 February, we assume a translation impact of around DKK -100m for the full year.

CEO Jacob Aarup-Andersen says: “We delivered a solid set of results for 2023, which were achieved despite a challenging consumer environment, significant inflationary pressure and currency headwinds.

“We’re excited about our strategy refresh – Accelerate SAIL – and its increased focus on, and commitment to, growth. The outperformance of our premium portfolio and our results in key Asian markets in 2023 are an affirmation that we have a strong platform to expand from. Benefiting from the continued strong financial health of the business, we have the capacity to increase our investments in the Accelerate SAIL growth initiatives and deliver on our updated, higher ambitions for compounding top-line and earnings growth and sustainable long-term value creation.”

Carlsberg will present the results at a conference call today at 9.30 a.m. CET. Dial-in information and a slide deck will be available on www.carlsberggroup.com.

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Attachments

- [06_07022024_Financial statement as at 31 December 2023.pdf](#)
- [Quarterly financial data Carlsberg Group.xlsx](#)