

Q1 2020 AIDE MEMOIRE

A number of events in 2019 and 2020 have an impact on the year-on-year comparison for Q1 and FY 2020. These include the following items, which you may wish to consider in your modelling. Please note that the items listed below are not exhaustive and that other factors may affect the comparisons for Q1 and FY 2020 versus the same periods last year.

FACTORS IMPACTING COMPARATIVE FIGURES

Western Europe

At the Q4 2019 conference call, we elaborated on the impact of the lost CSD border trade:

"...there will be a decline of non-beer volumes due to the German/Danish border. That decline will be 5% to 10% of non-beer in Western Europe."

In the 2020 guidance suspension and business update announcement as at 2 April, we provided the following update on Western Europe:

"While our numbers in January and February were in line with our expectations, in March we started to see a significant impact from COVID-19. In most markets, the on-trade channel is being severely impacted. Off-trade is currently less impacted, although increasing restrictions on social gatherings are expected to impact volumes in the off-trade as well. In addition, we have seen a negative product mix in the off-trade channel, as consumers shift their purchasing towards multipacks and show less demand for craft & speciality products."

Asia

At the Q4 2019 conference call, we commented on India:

"The weakness in H2 and especially Q4, was driven by several factors including changed excise duties and regulation in a few states."

... made the following comment on Nepal:

"Our business in Nepal had a challenging year due to a weakening consumer sentiment, which led to a high single-digit beer market decline and an import ban on energy drinks, which negatively impacted our local Red Bull business."

... and made the following comment on Cambodia:

"Cambodia has been a disappointment. Several initiatives have worked well, such as the strengthening of processes and compliance, building capabilities and strengthening route-to-market. However, the relaunch of the Angkor brand in H2 which came with a new campaign and changed promotional structure didn't work

well. Particularly the promotional structure was unsuccessful, leading to around 25% volume decline in Q4, and it is therefore being changed...”

In the 2020 guidance suspension and business update announcement as at 2 April, we provided the following update on Asia:

“The development in China has largely been in accordance with our planning. January saw strong volume development, while volumes were significantly down in February and there were signs of recovery in March. Outside China, consumer demand and, in some markets, production are increasingly being impacted as governments are implementing stringent restrictions to combat the spread of COVID-19, including closures of on-trade outlets.”

Eastern Europe

In the Q4 2019 conference call we commented on our Russian business:

“We are making significant changes to the Russian business in order to reverse the volume trend and a range of different initiatives are implemented. However, catering for the new competitive situation and catering for the current situation will take some time.”

In the 2020 guidance suspension and business update announcement as at 2 April, we provided the following update on Eastern Europe:

“For the first quarter, we saw good results with less severe impact of COVID-19 in our Eastern Europe markets. However, as governments accelerated restrictions during the last couple of weeks of March, we began experiencing a negative impact on consumer demand, which we anticipate will increase further. Overall, however, we expect less negative impact than in Western Europe due to the smaller on-trade sector in Eastern Europe.”

OUTLOOK

In the announcement from 2 April, 2020, we commented:

“We remain confident that the steps we are taking will ensure a continued commercially and financially strong Carlsberg, including after the COVID-19 pandemic. However, the situation across markets has become increasingly volatile and unpredictable. In addition, we have very recently seen further government intervention in some key markets, resulting in full or partial lock-downs. Across the Group, cost reductions have been significant as all markets and functions have adapted to the uncertain and rapidly changing environment. Nevertheless, due to the significantly increased uncertainty related to the negative consequences of the pandemic on our business this year, the full impact on our financial and operating performance cannot be reasonably estimated at this time.

As a result, we now consider it prudent to suspend our guidance for 2020. We will provide updates to the market as our visibility into the effects of the COVID-19 pandemic on our business increases.”

DISCLAIMER

This aide memoire contains forward-looking statements, including statements about the Group's sales, revenues, earnings, spending, margins, cash flow, inventory, 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 words "believe", "anticipate", "expect", "estimate", "intend", "plan", "project", "will be", "will continue", "will result", "could", "may", "might", or any variations of such words or other words with similar meanings. Any such statements are subject to risks and uncertainties that could cause the Group's actual results to differ materially from the results discussed in such forward-looking statements. Prospective information is based on management's expectations or forecasts at the time. Such information is subject to the risk that such expectations or forecasts, or the assumptions underlying such expectations or forecasts, may change. The Group assumes no obligation to update any such forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements.

Some important risk factors that could cause the Group's actual results to differ materially from those expressed in its forward-looking statements include, but are not limited to: economic and political uncertainty (including interest rates and exchange rates), financial and regulatory developments, demand for the Group's products, increasing industry consolidation, competition from other breweries, 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, market acceptance of new products, changes in consumer preferences, launches of rival products, stipulation of market value in the opening balance sheet of acquired entities, litigation, environmental issues and other unforeseen factors. New risk factors can arise, and it may not be possible for management to predict all such risk factors, nor to assess the impact of all such risk factors 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.