

Q2 2020 AIDE MEMOIRE

A number of events in 2019 and 2020 have an impact on the year-on-year comparison for Q2 and H1 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 Q2 and H1 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."

At the Q1 2020 conference call, we commented:

"With regard to Europe, we see that off-trade is slightly positive, but as said earlier, that does not compensate the negative effects of the on-trade. And again, in Poland, we are more or less fully in off-trade and we there, if you like, the normal development of our market and market share."

At the Q1 2020 conference call, we made the following comment regarding the beginning of Q2:

"In Western Europe, Q2 has started worse than Q1 as all markets in Western Europe entered into April in some state of lockdown. Markets with large on-trade are suffering the most, whereas markets with a large off-trade are doing okay, given the circumstances."

Asia

At the Q1 2020 conference call, we made the following market comments:

China:

"By the end of the quarter, we started to see a relaxation of certain restrictions with some outlets opening again. And we have, in the start of April, seen volumes coming back."

India:

"All alcohol shops were closed in key cities from March 20th and nationwide from March 23rd. As per government orders, all breweries were closed from late March and have remained closed since."

Nepal:

"As in India, our brewery in Nepal has been closed since late March."

...and Malaysia:

"... in March when our brewery was closed following the Malaysian government's decree."

At the Q1 2020 conference call, we made the following comment regarding the beginning of Q2:

"In Asia, China started Q2 well. It seems that the rebound has begun, although it is unclear whether it's still distributor replenishment or actual consumer-driven. In most other Asian markets, April has been very challenging with full or partial lockdowns."

Eastern Europe

At the Q1 2020 conference call, we elaborated on Russia:

"...we have, if you like, a new commercial program in Russia that started off well. Part of that is to make sure that we have as well the big promotional slots in some of the key accounts and that worked well. Of course, that has some consequences for our net revenue per hectoliter. On the other hand, what we see coming back is our market share. We saw for the first time since quite a number of months, the market share of March picking up with 100basis points versus the start of the year."

At the Q1 2020 conference call, we made the following comment regarding the beginning of Q2:

"In Eastern Europe, our on-trade exposure is very small. Consequently, the lockdowns are expected to have less of an impact than in Western Europe and Asia. Our concern for Eastern Europe is the macroeconomic development as lower oil prices usually have a negative impact on consumer sentiment, not least in Russia."

Acquisitions

At 22 May, 2020 we announced:

"Carlsberg UK and Marston's PLC have announced a proposed deal to form a joint venture beer company in the UK, Carlsberg Marston's Brewing Company. Both companies will inject their brewing and distribution assets into the joint venture. In addition, at completion Carlsberg will pay up to GBP 273m to Marston's PLC, GBP 34m of which will be a deferred contingent payment. Consequently, Carlsberg will become the controlling shareholder, owning 60% of the joint venture, with Marston's owning 40%. The transaction is anticipated to complete in the second half of this calendar year, subject to shareholder approval at Marston's and competition clearance."

Share buy-back

At 15 June, 2020 we announced the progress of the share buy-back. Accumulated under the programme 2,051,676 shares have been bought at a value of DKK 1,730,009,222. Carlsberg A/S holds a total of 2,209,803 own B shares, corresponding to 1.5% of the 148,156,806 total A and B shares.

OUTLOOK

In the Q1 2020 announcement, we stated:

“On 2 April, the Group suspended its outlook for 2020 due to the significantly increased uncertainty concerning the impact of the COVID-19 pandemic on business performance. The situation remains unchanged with a high degree of volatility and uncertainty in most markets and, consequently, the 2020 guidance remains suspended.”

...and also commented:

“Our businesses in all markets are impacted to a greater or lesser extent. While we’re starting to see signs of recovery in our largest market, China, and initial signs of governments cautiously lifting restrictions in some Western European markets, other markets remain in lockdown. Nevertheless, social-distancing requirements will continue and will impact consumer behaviour. Consequently, volumes will decline further in Q2.

At the Q1 2020 conference call, we commented further:

“We saw an impact of government lockdowns already in Q1, and there will be an even larger impact in Q2 as the lockdowns have extended. H2 will be impacted as well, although it is currently impossible to predict the magnitude of this.”

...and continued:

“...we expect the volume decline in April for the group to accelerate compared to March, where we saw a 12% volume decline.”

...and also commented on capex and working capital:

“Looking at CapEx, we are postponing or reducing what is not absolutely necessary at this point in time. We will reduce CapEx compared to our previous expectations. Current thinking is a 10% to 20% CapEx reduction, but that really depends on when and how fast markets rebound. We’re managing our working capital very closely, having achieved excellent results in recent years. However, we expect a weaker performance this year, although it is difficult to predict year-end balances at this point in time.”

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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.