

Q3 2020 AIDE MEMOIRE

A number of events in 2019 and 2020 have an impact on the year-on-year comparison for Q3 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 Q3 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 Q2 2020 conference call, we made the following comment regarding the beginning of Q3:

"While we saw very good June numbers in Western Europe, July in Western Europe has been impacted by bad weather, in particular, in some northern European markets."

At the Q2 2020 conference call, we commented on the recovery of the Western European on-trade channel:

"...we are assuming a gradual recovery of the on-trade, although it will not in 2020 come back to the pre-crisis levels."

... and elaborated:

"So, on-trade in Western Europe is recovering, but at a slow pace."

Asia

At the Q3 2020 conference call, we commented on the status in Asia:

"...the situation really is volatile and we have recently seen some lock downs in Western China and also in Central Vietnam, and the sort of hard-hit countries like India and Nepal and Malaysia are only slowly recovering. And then on-trade is improving in most countries, but the speed of recovery is very dependent on the local government initiatives and consequently remains very volatile."

...and continued on China:

"...the Chinese business started Q3 well, but some of our strongholds in Western China were subject or are subject to renewed lockdowns as we speak, so therefore, H2 remains pretty volatile."

Eastern Europe

In the Q2 2020 announcement, we stated:

“We expect to continue our promotional activities in Russia, supporting the volume development in the region”

...and at the Q2 2020 conference call, added the following comment regarding pricing in Russia:

“...our high level of promotions impacted price/mix negatively. At this moment in time, we see no change in the level of promotions in the market and thus, we will continue our current strategy.”

OUTLOOK

On 15 September, we issued an updated 2020 outlook:

“The Carlsberg Group is adjusting its 2020 earnings expectations upwards due to better than expected August results, continued solid volume development in Eastern Europe and an improved outlook in western China after the recent relaxation of second-wave COVID-19 restrictions. Consequently, we now expect:

- *Organic operating profit decline of high-single-digit percentage (previously a decline of 10-15%).*

The assumptions of the earnings outlook remain unchanged versus the guidance provided on 13 August (please refer to page 7 in the H1 2020 report). It must be emphasised that the earnings expectations for the remainder of the year are more uncertain than usual as a consequence of the COVID-19 pandemic.

In the H1 2020 announcement, we wrote:

“We expect marketing investments in H2 to increase compared with H1, partly due to postponement of activities from H1 to H2 and preparation for 2021, ensuring the long-term health of our brands.”

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.