

Company announcement 37/2024

13 August 2024

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SOLID ORGANIC OPERATING PROFIT GROWTH AND INCREASED EARNINGS EXPECTATIONS

FINANCIAL STATEMENT AS AT 30 JUNE 2024

Unless otherwise stated, comments in this announcement refer to H1 performance.

CONTINUED VOLUME GROWTH SUPPORTED BY THE PREMIUM PORTFOLIO DESPITE BAD WEATHER AND WEAK CONSUMER SENTIMENT

Organic volume growth 1.4%

- Organic volume development in Western Europe -1.7%, Asia +1.9% and Central & Eastern Europe and India (CEEI) +4.5%.
- Total premium beer category +4%, Beyond Beer +4%, alcohol-free brews +6%.
- International brand volume growth: Tuborg +8%, Carlsberg +12%, 1664 Blanc +4% and Brooklyn +4%.

REVENUE GROWTH IN ALL REGIONS

Organic revenue growth 3.9%

- Revenue/hl +2%, with positive contribution from all regions.
- Organic revenue growth in Western Europe +1.3%, Asia +4.7% and CEEI +8.8%.
- Reported revenue growth of 2.6% to DKK 38,766m, impacted by currencies.

SOLID ORGANIC OPERATING PROFIT GROWTH

Organic operating profit growth 4.7%

- Operating profit growth driven by solid gross profit improvement, partly offset by an increase in marketing investments of almost 20%.
- Reported operating profit growth of 1.0% to DKK 6,336m.
- Reported net profit for continuing operations of DKK 3,737m (-4.2%), impacted by higher net financials.
- Adjusted net profit for continuing operations of DKK 3,869m (-3.4%).
- Adjusted earnings per share for continuing operations of DKK 28.6 (-2%).
- Free operating cash flow of DKK 3,613m.

DRIVING SHAREHOLDER VALUE

Total share buy-back and dividend payment of DKK 5.5bn

- NIBD/EBITDA 1.65x.
- ROIC down 70bp to 14.5%; excluding goodwill down 360bp to 37.6%, impacted by currencies.
- Share buy-back terminated on 8 July due to the Group's recommended offer to acquire Britvic plc and the expected subsequent increase in financial leverage.

SUBSEQUENT EVENTS

- On 8 July, we announced the recommended offer to acquire Britvic plc.
- On 8 July, we announced the acquisition of Marston's 40% stake in Carlsberg Marston's Limited. The transaction was completed on 31 July.
- On 2 August, we announced the signing of an agreement to acquire the remaining 33.33% of Carlsberg South Asia Pte Ltd (the holding company for Carlsberg India and the business in Nepal).

2024 EARNINGS EXPECTATIONS

Based on the solid business performance year to date, we are adjusting our earnings expectations for 2024:

- Organic growth in operating profit of +4-6% (previously 1-5%).
- Based today's spot rates, we assume a translation impact on operating profit of around DKK -300 for 2024 (previously DKK -250m).

CEO Jacob Aarup-Andersen: "It's been an exciting year for Carlsberg with the launch of our refreshed strategy – Accelerate SAIL – and higher growth ambitions, the recommended offer for Britvic, and the signing of an agreement that will give us full control of our businesses in India and Nepal. These major events will support the long-term health of our business, our brands and delivery of our long-term growth ambitions.

"We continued to step up sales and marketing investments behind our key growth categories and saw above-average growth of premium, Beyond Beer and alcohol-free brews.

"Our performance management remains strong, and as a result of continued solid execution and good cost control, we're increasing our earnings expectations for the year despite volumes in Q2 being challenged by bad weather and weak consumer sentiment in some Asian markets."

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For more news, sign up at www.carlsberggroup.com/subscribe.

Carlsberg will present the results at a conference call tomorrow, 14 August, at 9.30 a.m. CET. Dial-in information and a slide deck will be available on www.carlsberggroup.com.

KEY FIGURES AND FINANCIAL RATIOS

Key figures and financial ratios for 2023 are presented for continuing activities unless otherwise stated.

DKK million		HI 2024	HI 2023	2023
Volumes (million hl)				
Beer		53.4	52.4	101.0
Other beverages		12.3	12.4	24.1
Income statement				
Revenue		38,766	37,788	73,585
Gross profit		17,945	16,882	32,832
EBITDA		8,355	8,229	15,179
Operating profit before special items		6,336	6,272	11,105
Special items, net		-139	-169	-431
Financial items, net		-550	-332	-844
Profit before tax		5,647	5,771	9,830
Income tax		-1,199	-1,212	-1,859
Profit from continuing operations		4,448	4,559	7,971
Loss from discontinued operations ¹		-	-404	-47,748
Profit for the period		4,448	4,155	-39,777
Attributable to:				
Non-controlling interests		711	660	1,011
Shareholders in Carlsberg A/S (net profit)		3,737	3,495	-40,788
Shareholders in Carlsberg A/S (net profit), continuing operations		3,737	3,899	6,960
Shareholders in Carlsberg A/S (net profit), continuing operations, adjusted ²		3,869	4,005	7,425
Statement of financial position				
Total assets		112,274	121,006	111,831
Invested capital		63,195	61,616	61,089
Invested capital excl. goodwill		24,767	23,280	22,774
Net interest-bearing debt (NIBD)		25,219	22,364	22,351
Equity, shareholders in Carlsberg A/S		21,661	28,286	23,234
Statement of cash flows				
Cash flow from operating activities		5,881	6,108	11,607
Cash flow from investing activities		122	-2,324	-6,729
Free cash flow		6,003	3,784	4,878
Financial ratios, continuing operations				
Gross margin	%	46.3	44.7	44.6
EBITDA margin	%	21.6	21.8	20.6
Operating margin	%	16.3	16.6	15.1
Effective tax rate	%	21.2	21.0	18.9
Return on invested capital (ROIC)	%	14.5	15.2	14.5
ROIC excl. goodwill	%	37.6	41.2	38.3
NIBD/EBITDA	x	1.65	1.46	1.47
Stock market ratios				
Earnings per share (EPS)	DKK	27.6	25.5	-299.7
EPS, continuing operations	DKK	27.6	28.5	51.1
EPS, adjusted ² , continuing operations ¹	DKK	28.6	29.3	54.6
Share price (B shares)	DKK	835.6	1,090.5	846.8
Weighted average number of shares, excl. treasury shares	1,000	135,223	136,836	136,089

¹ The discontinued operation in Russia was deconsolidated as of July 2023. ² Adjusted for special items after tax.

MAJOR EVENTS SHAPING THE FUTURE OF CARLSBERG

This year, the Carlsberg Group has announced several major initiatives that will support the future of the company and the achievement of our long-term ambitions.

In February, we launched our refreshed strategy, Accelerate SAIL, including higher long-term organic growth ambitions for revenue and earnings. We have started the implementation of several initiatives and increased investments in sales and marketing to drive growth in key categories, such as premium beer, Beyond Beer and alcohol-free brews, as well as in volume and value growth in key markets in Asia.

In July, we announced the recommended offer to acquire Britvic plc. The acquisition will support the Group's growth ambitions, enhance our top- and bottom-line growth profile in Western Europe, be transformative for our business in the UK and further strengthen our relationship with PepsiCo.

In August, we signed an agreement giving us full control of the businesses in India and Nepal. Growing in India is a key priority of Accelerate SAIL, and upon completion of the agreement, we will be able to accelerate investments to capture the long-term growth opportunities in this market.

PORTFOLIO

PREMIUM PORTFOLIO

Our premium portfolio grew by 4%, supported by increased marketing investments. We saw mid-single-digit percentage growth in Asia and high-teens percentage growth in Central & Eastern Europe and India (CEEI), while volumes in Western Europe were impacted by bad weather and declined by low single-digit percentages.

Premium Carlsberg volumes were up by 24%, with very strong growth seen in many markets, such as China, India, Ukraine, Germany and Serbia. Premium Tuborg volumes grew by 8%, supported by growth in markets such as China, Vietnam and Ukraine. 1664 Blanc delivered 4% volume growth, supported by growth in all three regions and particularly in many Eastern European markets, Vietnam, Switzerland and Poland.

MAINSTREAM CORE BEER

Total mainstream core beer volumes grew by 1% with low-single digit percentage growth in Asia and CEEI partly offset by a slight volume decline in Western Europe. We saw good growth for brands such as Dali and Wusu in China, Tuborg in India and Zatecky in Kazakhstan.

ALCOHOL-FREE BREWS

Alcohol-free brew volumes grew by 6%, supported by strong growth in Ukraine and the Middle East and solid growth in most Western European markets. The alcohol-free versions of the international brands Carlsberg, Tuborg and Garage saw double-digit growth, while local alcohol-free brands such as Fix, Lvivske, Lübzer and Eriksberg also delivered strong growth.

BEYOND BEER

Beyond Beer volumes grew by 4%, mainly driven by the Garage brand in CEEI. Somersby declined slightly, mainly due to weak development in Poland.

STRUCTURAL CHANGES AND SUBSEQUENT EVENTS

In January, the Carlsberg Group and the Danish craft brewer Mikkeller established a sales and distribution agreement for the Danish market. As part of the agreement, Carlsberg acquired a 20% stake in Mikkeller.

In June, we announced a strategic partnership between Brasserie du Pays Flamand and our French business, Brasseries Kronenbourg, aimed at accelerating the roll-out of the Anosteké brand in France. As part of the agreement, we will acquire a minority stake in Brasserie du Pays Flamand.

On 8 July, we announced the recommended offer for Britvic plc, amounting to approximately GBP 3.3bn. The acquisition will be carried out by way of a scheme of arrangement under Part 26 of the UK Companies Act 2006. It is currently expected that the scheme will become effective during the first quarter of 2025.

On 8 July, we announced the purchase of the remaining 40% of Carlsberg Marston's Limited from Marston's PLC at a price of GBP 206m, giving us 100% ownership of our UK business. The transaction was completed on 31 July.

On 2 August, we announced the signing of an agreement to acquire the remaining 33.33% of Carlsberg South Asia Pte. Ltd. (CSAPL, the holding company of the businesses in India and Nepal) and 9.94% of Gorkha Brewery in Nepal, giving us 99.94% ownership of this business. Consequently, these acquisitions will give us full control of two important Asian businesses. The total purchase price is USD 744m. The transactions are expected to complete in Q4 2024. USD 207m of the USD 744m will be retained by Carlsberg to be released subject to potential claims under the share purchase agreement (likely after 3-5 years).

2024 EARNINGS EXPECTATIONS

We are adjusting our earnings expectations for 2024 due to continued solid business performance year to date and continued cost control that compensate for the bad weather in Q2 in several markets and weak consumer sentiment in some Asian markets.

Consequently, we now expect:

- Organic growth in operating profit of 4-6%.

Based on today's spot rates, we assume a translation impact on operating profit of around DKK -300m for 2024 (previously DKK 250m).

Financial expenses, excluding foreign exchange losses or gains, are expected to be around DKK 1.2bn (previously DKK 1.1bn). The increase is due to the purchase of the remaining 40% of Carlsberg Marston's Limited in July, the expected completion in Q4 of the acquisition of the remaining 33.33% of CSAPL and financing costs related to establishment of bridge financing facilities for the recommended offer for Britvic plc.

Other relevant assumptions are unchanged:

- Reported effective tax rate of around 21%.
- Capital expenditure of around DKK 5.0bn.

Forward-looking statements

Forward-looking statements are subject to risks and uncertainties that could cause the Group's actual results to differ materially from those expressed in the forward-looking statements. Accordingly, forward-looking statements should not be relied on as a prediction of actual results. Please see page 13 for the full forward-looking statements disclaimer.

GROUP FINANCIAL REVIEW

HI	2023	Change			2024	Change Reported
		Organic	Acq., net	FX		
Volumes (million hl)						
Beer	52.4	1.9%	0.1%	-	53.4	2.0%
Other beverages	12.4	-0.6%	0.0%	-	12.3	-0.6%
Total volume	64.8	1.4%	0.1%	-	65.7	1.5%
DKK million						
Revenue	37,788	3.9%	0.3%	-1.6%	38,766	2.6%
Operating profit	6,272	4.7%	0.0%	-3.7%	6,336	1.0%
Operating margin (%)	16.6				16.3	-30bp

The Group delivered solid performance despite challenging weather conditions in several markets in Q2.

Beer volumes grew organically by 1.9% (Q2: +1.4%), mainly because of solid volume growth in CEEI. Other beverage volumes declined organically by 0.6% (Q2: -0.7%). Consequently, total volumes grew by 1.4% (Q2: +1.0%).

Revenue/hl increased by 2% (Q2: +1%), resulting in organic revenue growth of 3.9% (Q2: +1.9%). The revenue/hl improvement was driven by premium growth and price increases, partly offset by negative channel and country mix.

Reported revenue grew by 2.6% (Q2: +1.2%). The adverse currency impact mainly related to the Chinese, Laotian and Ukrainian currencies.

Gross profit increased organically by 8.2%. Cost of sales/hl declined slightly by 1%, primarily due to efficiency improvements and country mix. Higher revenue/hl and slightly lower cost of sales/hl meant gross profit/hl increased organically by 7%. The reported gross margin improved by 160bp to 46.3%.

We increased sales and marketing investments – the latter by almost 20% organically – with higher investments in all three regions. Consequently, marketing investments to revenue increased by 110bp to 8.7%.

We maintained our strict cost focus. The organic increase in operating expenses of 9.6% mainly related to higher sales and marketing investments, as well as higher logistics costs. Administrative expenses increased in line with revenue.

Income from associates declined, mainly due to lower income from associates in China and Vietnam, partly offset by higher income from Portugal.

Operating profit before depreciation, amortisation and impairment losses (EBITDA) grew by 4.6% organically and by 1.5% in reported terms, the latter impacted by currencies.

Operating profit grew organically by 4.7%, mainly driven by Asia and CEEI. The reported operating profit increase of 1.0% was primarily impacted by the Laotian and Chinese currencies. While the reported gross margin improved, the reported operating margin contracted by 30bp to 16.3%, mainly due to higher sales and marketing investments.

Reported net profit increased to DKK 3,737m (2023: DKK 3,495m). Adjusted net profit for continuing operations (adjusted for special items after tax) declined by 3.4% to DKK 3,869m, as the organic operating profit growth was offset by the adverse currency impact, higher financial expenses and higher non-controlling interests.

Adjusted earnings per share, continuing operations, were DKK 28.6 (2023: DKK 29.3), positively impacted by the lower number of shares.

Return on invested capital (12-month average) declined by 70bp to 14.5% due to the currency impact, acquisitions and a higher tax rate. ROIC excluding goodwill was 37.6% (2023: 41.2%).

Net interest-bearing debt was DKK 25.2bn (2023: DKK 22.4bn), impacted by cash returns to shareholders in H1 in the form of share buy-backs (DKK 1.9bn) and dividends to shareholders and non-controlling interests (DKK 4.5bn). Net interest-bearing debt/EBITDA was 1.65x (1.47x at year-end 2023).

REGIONAL PERFORMANCE

WESTERN EUROPE

HI	2023	Organic	Change		2024	Change	
			Acq., net	FX		Reported	
Volumes (million hl)							
Beer	14.3	-1.3%	0.0%	-	14.1	-1.3%	
Other beverages	7.3	-2.4%	0.0%	-	7.1	-2.4%	
Total	21.6	-1.7%	0.0%	-	21.2	-1.7%	
DKK million							
Revenue	18,382	1.3%	0.0%	1.3%	18,862	2.6%	
Operating profit	2,551	1.0%	0.0%	0.8%	2,598	1.8%	
Operating margin (%)	13.9				13.8	-10bp	

After a solid start to the year up until May, total volumes for the half year declined organically by 1.7% (Q2: -3.0%), impacted by poor weather in most markets in June and difficult comparables because of good weather in June 2023. Other beverages declined by 2.4% due to the loss of the Schweppes brand in Switzerland and lower volumes in Denmark and Norway.

For the half year, revenue/hl increased organically by 3% (Q2: +2%), mainly because of price increases, which were partly offset by a negative channel and country mix. In addition, revenue/hl in Q1 was positively impacted by the inclusion of excise duties in the UK following last year's termination of the Kronenbourg 1664 licensee agreement.

Organic revenue growth was 1.3%. In Q2, revenue declined organically by 1.3% due to the weak June. Reported revenue growth was 2.6% (Q2: -0.2%), with a positive currency impact from the Swiss, Polish and UK currencies.

Despite the volume decline, the region delivered organic operating profit growth of 1.0%. This was driven by higher revenue/hl, which more than offset a significant increase in marketing investments and higher logistics costs. Reported operating profit increased by 1.8% due to the positive currency impact.

MARKET COMMENTS

Our Nordic business delivered a positive start to the year up until May, with volume growth in all four markets. However, this development was reversed in June due to very bad weather, and volumes for the half year declined slightly. In Denmark, we strengthened our beer market share across all categories, while our soft drinks market share was flat. In Sweden, volumes grew for the half year, supported in particular by good performance for the premium beer and soft drinks portfolios. In Norway, our overall market share was flat but grew in the premium segment. Volumes in Finland also grew for the half year, with broad-based growth across the beer categories and soft drinks portfolio.

In France, volumes declined by high-single-digit percentages, impacted by poor weather throughout Q2. We gained market share in premium, while overall market share development was weak due to a lower level of promotional activities than the general market.

In Switzerland, volumes declined by mid-single-digit percentages, severely impacted by bad weather in June. Our market share (YTD May) improved, driven by the Feldschlösschen brand and alcohol-free brews. 1664 Blanc grew strongly following the relaunch of the brand in Q1. Soft drinks volumes declined due to the loss of the Schweppes brand.

Our volumes were flat in Poland. Our premium portfolio saw very strong growth, including for international brands such as 1664 Blanc, Grimbergen and Brooklyn, and the local Zatecky brand. Alcohol-free line extensions of local brands, such as Okocim and Zatecky, also saw good growth.

In the UK, volumes grew by low-single-digit percentages, mainly because of the good performance of Carlsberg Danish Pilsner. 1664 Blanc was launched at the beginning of 2024 with good initial results. We took over production of 1664 Kronenbourg from April. The San Miguel licence agreement was not renewed by our partner and will terminate at the end of 2024. This will have a substantial impact on volume and earnings in the UK in 2025.

ASIA

HI	2023	Organic	Change Acq., net	FX	2024	Change Reported
Volumes (million hl)						
Beer	22.0	2.5%	0.0%	-	22.5	2.5%
Other beverages	3.4	-2.1%	0.0%	-	3.3	-2.1%
Total	25.4	1.9%	0.0%	-	25.8	1.9%
DKK million						
Revenue	11,784	4.7%	0.3%	-6.2%	11,646	-1.2%
Operating profit	2,891	5.3%	-0.1%	-7.7%	2,819	-2.5%
Operating margin (%)	24.5				24.2	-30bp

In Asia, beer volumes grew by 2.5% (Q2: 1.0%), supported by growth in China, Laos and Vietnam. Volume development for other beverages was -2.1%, mainly impacted by Cambodia.

Revenue grew organically by 4.7% (Q2: +1.9%). Revenue/hl increased organically by 3% (Q2: +1%), positively impacted by solid growth for the international premium brands and price increases. The weaker revenue/hl development in Q2 was due to a negative country mix and weakening brand mix. Reported revenue development was -1.2% (Q2: -1.7%), impacted by the weaker Laotian and Chinese currencies.

Although we significantly increased our investments in marketing and sales, operating profit grew organically by 5.3%. Adverse foreign exchange movements, mainly related to the Chinese and Laotian currencies, led to a reported decline in operating profit of 2.5%. Despite the solid revenue development, the operating margin declined by 30bp to 24.2%.

MARKET COMMENTS

In China, our business continued to outperform the market, although we saw a slowdown in Q2 due to heavy rainfalls in southern China and weak consumer sentiment. Nevertheless, growth of our premium portfolio outperformed the core mainstream portfolio, with good growth for brands such as Carlsberg, Tuborg and Wind Flower Snow Moon.

Our volumes in Vietnam grew by low-single-digit percentages, cycling double-digit growth in H1 last year. The market declined by an estimated low-single-digit percentage. Our international premium brands, in particular 1664 Blanc and Tuborg, delivered strong growth. Our local mainstream brand Huda also continued to grow.

In Laos, our volumes grew by mid-single-digit percentages, driven by all categories: beer, soft drinks and water. Following strong growth in recent years, we faced capacity constraints during the peak season. We continued to take significant price increases to offset the high inflation.

Total volumes in Cambodia declined significantly, mainly due to weaker energy drink volumes.

Our businesses in Malaysia and Singapore delivered solid performance, supported by growth of the Carlsberg brand and the premium brand Sapporo, for which we took over production, sales and distribution from 1 January.

CENTRAL & EASTERN EUROPE AND INDIA (CEEI)

HI	2023	Change			2024	Change Reported
		Organic	Acq., net	FX		
Volumes (million hl)						
Beer	16.1	3.9%	0.3%	-	16.8	4.2%
Other beverages	1.7	10.1%	0.1%	-	1.9	10.2%
Total	17.8	4.5%	0.3%	-	18.7	4.8%
DKK million						
Revenue	7,616	8.8%	1.2%	-1.6%	8,254	8.4%
Operating profit	1,428	14.1%	0.1%	-2.0%	1,601	12.2%
Operating margin (%)	18.8				19.4	60bp

The CEEI region delivered very good results. Total volumes grew organically by 4.5% (Q2: +6.0%), helped by easy comparables with Q2 last year in south-east Europe, which was impacted by poor weather. We gained market share in most markets in the region.

Revenue grew organically by 8.8% (Q2: +9.8%). The organic revenue/hl growth of 4% (Q2: +4%) was driven by price increases and a positive product mix.

The volume growth, positive revenue/hl development and very good cost control, which more than offset higher marketing investments, led to strong organic operating profit growth of 14.1%.

Reported operating profit growth was 12.2%, mainly because of the depreciation of the Ukrainian currency. The operating margin improved by 60bp to 19.4%.

MARKET COMMENTS

In a volatile environment, our volumes in Ukraine grew organically by double-digit percentages. Revenue/hl continued to improve, supported by strong growth of the premium portfolio, particularly for brands such as 1664 Blanc, Carlsberg and Tuborg. The alcohol-free brews portfolio also grew strongly.

Our markets in south-east Europe delivered good performance with solid volume growth in all markets supported by very good performance of our premium portfolios, in particular 1664 Blanc and Tuborg.

Our volumes in India grew by low-double-digit percentages despite “dry days” being enforced in connection with the elections and challenging weather conditions impacting one of our breweries. Our national market share strengthened, supported by good growth for Carlsberg Elephant and Tuborg Strong.

The export & licence business delivered solid volume growth. This growth was mainly driven by licence markets, notably Turkey, where both the Tuborg and Carlsberg brands continued their very positive momentum, and by alcohol-free brews in the Middle East.

CENTRAL COSTS (NOT ALLOCATED)

Central costs, net, were DKK 667m (2023: DKK 584m). Central costs are incurred for ongoing support of the Group’s overall operations and strategic development. In particular, they cover the costs of running central functions, including marketing. The higher costs were mainly due to higher marketing and technology investments.

OTHER ACTIVITIES (NON-BEVERAGE)

The operation of the Carlsberg Research Laboratory and the non-controlling holding in the Carlsberg Byen company in Copenhagen are reported separately from the beverage activities. The non-beverage activities generated DKK -15m (2023: DKK -14m).

COMMENTS ON THE FINANCIAL STATEMENTS

ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB) and adopted by the EU, and additional Danish disclosure requirements for interim financial reporting by listed companies.

The consolidated financial statements have been prepared using accounting policies for recognition and measurement consistent with those applied to the consolidated financial statements for 2023.

INCOME STATEMENT

Please see pages 6-7 for a review of operating profit.

Net special items (pre-tax) amounted to DKK -139m (2023: DKK -169m) and were mainly impacted by costs related to M&A activities. A specification of special items is included in note 4.

Financial items, net, amounted to DKK -550m against DKK -332m in 2023. Excluding foreign exchange losses, net, of DKK -98m, financial items, net, amounted to DKK -452m (2023: DKK -311m). The increase was mainly due to higher interest rates on bonds issued in 2023 and higher net interest-bearing debt. A specification of net financial items is included in note 5.

Tax totalled DKK -1,199m against DKK -1,212m in 2023. The effective tax rate was 21.2% versus 21.0% in 2023.

Non-controlling interests were DKK 711m (2023: DKK 660m). The increase was mainly driven by higher profitability in Laos and the UK.

The Carlsberg Group's share of consolidated profit (net profit) was DKK 3,737m (2023: DKK 3,495m). Adjusted net profit (adjusted for special items after tax) declined by 3.4% to DKK 3,869m, as the organic operating profit growth of 4.7% was offset by the adverse currency impact, higher financial items, net and higher non-controlling interests.

STATEMENT OF FINANCIAL POSITION

ASSETS

Total assets amounted to DKK 112.3bn at 30 June 2024 (31 December 2023: DKK 111.8bn).

Total non-current assets amounted to DKK 82.8bn at 30 June 2024 (31 December 2023: DKK 81.6bn). The increase mainly related to property, plant and equipment, which increased by DKK 0.7bn to DKK 25.1bn, partly due to the new brewery in Foshan, China.

Current assets amounted to DKK 29.5bn at 30 June 2024 (31 December 2023: DKK 30.2bn), as the seasonality impact on inventories and trade receivables was offset by lower cash and cash equivalents. Inventories and trade receivables amounted to DKK 14.6bn, an increase of DKK 3.7bn from 31 December 2023, while cash and cash equivalents declined to DKK 10.7bn (31 December 2023: DKK 13.4bn), impacted by the dividend payout to shareholders and share buy-back of DKK -5.5bn.

EQUITY AND LIABILITIES

Total equity amounted to DKK 24.0bn at 30 June 2024 (31 December 2023: DKK 25.7bn), DKK 21.7bn of which was attributable to shareholders in Carlsberg A/S and DKK 2.3bn to non-controlling interests.

The net change in equity of DKK -1.7bn is mainly explained by the profit for the period of DKK 4.4bn, offset by total dividends paid of DKK -4.5bn and share buy-back of DKK -1.9bn.

Total liabilities increased to DKK 88.3bn against DKK 86.1bn at 31 December 2023, primarily due to seasonality.

Long- and short-term borrowings amounted to DKK 37.1bn (31 December 2023: DKK 39.1bn): long-term borrowings were DKK 30.8bn (31 December 2023: DKK 30.8bn) and short-term borrowings were DKK 6.3bn (31 December 2023: DKK 8.3bn). The decline in short-term borrowings was due to the repayment of a EUR 1bn bond.

Current liabilities excluding short-term borrowings increased to DKK 43.5bn (31 December 2023: DKK 38.9bn) due to normal seasonality. The most significant increase was trade payables, which rose by DKK 3.6bn compared with 31 December 2023.

CASH FLOW

Free cash flow amounted to DKK 6,003m versus DKK 3,784m in 2023. The increase was mainly due to the unwinding of cash placed in deposits not meeting the definition of cash and cash equivalents at year-end 2023.

Net cash flow from continuing operations amounted to DKK -2,693m (2023: DKK 3,484m). In addition to the development in free cash flow, the difference year-on-year is explained by a higher share buy-back and the repayment of a EUR 1bn bond in May this year compared with the issuance of a EUR 750m bond in May 2023.

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities amounted to DKK 5,881m against DKK 6,108m in 2023.

EBITDA was DKK 8,355m (2023: DKK 8,229m).

The change in total working capital was DKK -836m (2023: DKK -105m). The change in trade working capital was DKK 453m (2023: DKK 685m). Average trade working capital to revenue (MAT) remained strong at -20.4%. The change in other working capital was DKK -1,289m (2023: DKK -790m), impacted by other payables.

Restructuring costs and other special items amounted to DKK -87m (2023: DKK -294m). Net interest etc. paid amounted to DKK -238m (2023: DKK -349m). Corporation tax paid was DKK -1,089m (2023: DKK -1,130m).

CASH FLOW FROM INVESTING ACTIVITIES

Cash flow from investing activities was DKK 122m against DKK -2,324m in 2023.

Operational investments totalled DKK -2,268m (2023: DKK -1,762m). Acquisition of property, plant and equipment and intangible assets amounted to DKK -2,279m (2023: DKK -1,792m) and included investments in a new brewery in China and capacity expansion in Laos.

Total financial investments amounted to DKK 2,390m (2023: DKK -562m), mainly attributable to the unwinding of the placement of cash in deposits not meeting the definition of cash and cash equivalents at year-end 2023.

FINANCING

At 30 June 2024, gross financial debt amounted to DKK 37.1bn and net interest-bearing debt to DKK 25.2bn. The difference of DKK 11.9bn mainly comprised cash and cash equivalents of DKK 10.7bn.

Net interest-bearing debt/EBITDA was 1.65x (1.47x at year-end 2023).

Of the gross financial debt, 83% (DKK 30.8bn) was long term, i.e. with maturity of more than one year from 30 June 2024. At the end of June 2024, the duration was 4.4 years.

CHANGES TO THE EXECUTIVE COMMITTEE

On 3 June, Esther Wu, previously Vice President, Integrated Information Technology in the Asia region, was appointed Chief Information Officer (CIO), joining the Executive Committee (ExCom).

On 19 August, Yves Briantais will join the Group as Chief Marketing Officer (CMO) and member of ExCom. Yves joins Carlsberg from Colgate-Palmolive, where he most recently served as Global Executive Vice President, Design and Creative Capabilities.

On 1 September, Søren Brinck, currently EVP, Group Commercial and Strategy, will take over responsibility for the Western Europe region, following the retirement of Graham Fewkes. Graham will continue as a special advisor to the Group CEO, with particular focus on partnerships.

On 1 September, Anders Roed, currently Managing Director Brasseries Kronenbourg, our French business, will join ExCom as Chief Strategy and Commercial Officer.

In early September, Susanne Skippari will join the Group as Chief Human Resources Officer (CHRO) and member of ExCom. Susanne joins Carlsberg from KONE, where she most recently served as Executive Vice President, People and Communications, and a member of the Executive Board.

SHARE BUY-BACK

On 30 April, the Carlsberg Group launched the second quarterly share buy-back programme of 2024 with the intention to repurchase B shares of up to DKK 1bn during the period 30 April to 9 August 2024.

However, following the announcement of the Group's recommended offer to acquire Britvic plc and the subsequent expected increase in financial leverage, the share buy-back programme was terminated on 8 July.

At termination, the Company had bought a total of 711,577 shares at a total value of DKK 660.2m.

FINANCIAL CALENDAR

The financial year follows the calendar year, and the following schedule has been set for the remainder of 2024:

31 October Q3 trading statement

FORWARD-LOOKING STATEMENTS

This Company announcement contains forward-looking statements, including, but not limited to, guidance, expectations, strategies, objectives and statements regarding future events or prospects with respect to the Group's future financial and 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 words such as "expect", "estimate", "intend", "will be", "will continue", "will result", "could", "may", "might" or any variations of such words or other words with similar meanings. Forward-looking 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 then current expectations or forecasts. 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 materials used by the Group, cost of energy, production- and distribution-related issues, IT failures, market-driven price reductions, litigation, environmental issues and other unforeseen factors. The nature of the Group's business means that risk factors and uncertainties may 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.

MANAGEMENT STATEMENT

The Supervisory Board and Executive Board have discussed and approved the interim report of the Carlsberg Group for the period 1 January – 30 June 2024.

The interim report, which has not been audited or reviewed by the Company's auditor, has been prepared in accordance with IAS 34 Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB) and adopted by the EU, and additional Danish disclosure requirements for interim financial reporting by listed companies.

In our opinion, the interim report gives a true and fair view of the Carlsberg Group's assets, liabilities and financial position at 30 June 2024, and the results of the Carlsberg Group's operations and cash flow for the period 1 January – 30 June 2024. Further, in our opinion the Management's review (pages 1-13) includes a fair review of the development in the Carlsberg Group's operations and financial matters, the result for the period, and the financial position as a whole, as well as describing the most significant risks and uncertainties affecting the Group.

Besides what has been disclosed in the interim report, no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the consolidated financial statements for 2023.

Copenhagen, 13 August 2024

Executive Board of Carlsberg A/S

Jacob Aarup-Andersen
Group CEO

Ulrica Fearn
CFO

Supervisory Board of Carlsberg A/S

Henrik Poulsen
Chair

Majken Schultz
Deputy Chair

Mikael Aro

Magdi Batato

Lilian Fossum Biner

Richard Burrows

Eva Vilstrup Decker

Bob Kunze-Concewitz

Punita Lal

Erik Lund

Ivan Nielsen

Olayide Oladokun

Søren-Peter Fuchs Olesen

Tenna Skov Thorsted

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INCOME STATEMENT

DKK million	HI 2024	HI 2023	2023
Revenue	38,766	37,788	73,585
Cost of sales	-20,821	-20,906	-40,753
Gross profit	17,945	16,882	32,832
Sales and distribution expenses	-9,794	-8,896	-18,355
Administrative expenses	-2,100	-2,037	-4,077
Other operating activities, net	20	37	124
Share of profit after tax of associates	265	286	581
Operating profit before special items	6,336	6,272	11,105
Special items, net	-139	-169	-431
Financial income	227	149	695
Financial expenses	-777	-481	-1,539
Profit before tax	5,647	5,771	9,830
Income tax	-1,199	-1,212	-1,859
Profit from continuing operations	4,448	4,559	7,971
Loss from discontinued operations ¹	-	-404	-47,748
Profit for the period	4,448	4,155	-39,777
Attributable to			
Non-controlling interests	711	660	1,011
Shareholders in Carlsberg A/S (net profit)	3,737	3,495	-40,788
DKK			
Earnings per share of DKK 20 (EPS)	27.6	25.5	-299.7
Continuing operations	27.6	28.5	51.1
Discontinued operations ¹	-	-3.0	-350.8
Diluted earnings per share of DKK 20 (EPS-D)	27.6	25.5	-299.7
Continuing operations	27.6	28.4	51.0
Discontinued operations ¹	-	-2.9	-350.8

¹ The discontinued operation in Russia was deconsolidated as of July 2023.

STATEMENT OF COMPREHENSIVE INCOME

DKK million	HI 2024	HI 2023	2023
Profit for the period	4,448	4,155	-39,777
Other comprehensive income			
Retirement benefit obligations	-30	-47	-73
Income tax	-	-	-28
Items that will not be reclassified to the income statement	-30	-47	-101
Foreign exchange adjustments of foreign entities	210	-2,516	37,781
Fair value adjustments of hedging instruments	81	142	920
Income tax	22	-12	-44
Items that will be reclassified to the income statement	313	-2,386	38,657
Other comprehensive income	283	-2,433	38,556
Total comprehensive income	4,731	1,722	-1,221
Attributable to			
Non-controlling interests	713	500	753
Shareholders in Carlsberg A/S	4,018	1,222	-1,974
Total comprehensive income for the period arises from			
Continuing operations	4,731	3,543	6,297
Discontinued operations ¹	-	-1,821	-7,518
Total comprehensive income	4,731	1,722	-1,221

¹ The discontinued operation in Russia was deconsolidated as of July 2023.

STATEMENT OF FINANCIAL POSITION

DKK million	30 June 2024	30 June 2023	31 Dec. 2023
ASSETS			
Intangible assets	49,209	49,029	49,100
Property, plant and equipment	25,077	23,591	24,405
Financial assets	8,474	8,097	8,128
Total non-current assets	82,760	80,717	81,633
Inventories	6,521	6,700	5,811
Trade receivables	8,080	7,923	5,102
Other receivables	4,204	4,344	3,667
Deposits and securities	-	-	2,236
Cash and cash equivalents	10,709	11,237	13,382
Current assets	29,514	30,204	30,198
Assets in discontinued operations ¹	-	10,085	-
Total current assets	29,514	40,289	30,198
Total assets	112,274	121,006	111,831
EQUITY AND LIABILITIES			
Equity, shareholders in Carlsberg A/S	21,661	28,286	23,234
Non-controlling interests	2,341	2,429	2,515
Total equity	24,002	30,715	25,749
Borrowings	30,794	21,175	30,763
Tax liabilities, provisions, retirement benefit obligations etc.	7,742	8,395	8,089
Total non-current liabilities	38,536	29,570	38,852
Borrowings	6,284	13,620	8,338
Trade payables	25,803	25,054	22,159
Deposits on returnable packaging materials	2,030	1,905	1,717
Other liabilities	15,619	15,754	15,016
Current liabilities	49,736	56,333	47,230
Liabilities in discontinued operations ¹	-	4,388	-
Total current liabilities	49,736	60,721	47,230
Total liabilities	88,272	90,291	86,082
Total equity and liabilities	112,274	121,006	111,831

¹ The discontinued operation in Russia was deconsolidated as of July 2023.

STATEMENT OF CHANGES IN EQUITY

DKK million

2024	Shareholders in Carlsberg A/S						Non-controlling interests	Total equity
	Share capital	Currency translation	Hedging reserves	Total reserves	Retained earnings	Total		
Equity at 1 January	2,747	-2,639	-180	-2,819	23,306	23,234	2,515	25,749
Profit for the period	-	-	-	-	3,737	3,737	711	4,448
Other comprehensive income	-	151	160	311	-30	281	2	283
Total comprehensive income for the period	-	151	160	311	3,707	4,018	713	4,731
Cancellation of treasury shares	-62	-	-	-	62	-	-	-
Share-based payments	-	-	-	-	65	65	-	65
Dividends paid to shareholders	-	-	-	-	-3,601	-3,601	-876	-4,477
Share buy-back	-	-	-	-	-1,899	-1,899	-	-1,899
Non-controlling interests	-	-	-	-	-156	-156	-11	-167
Total changes in equity	-62	151	160	311	-1,822	-1,573	-174	-1,747
Equity at 30 June	2,685	-2,488	-20	-2,508	21,484	21,661	2,341	24,002

DKK million

2023	Shareholders in Carlsberg A/S						Non-controlling interests	Total equity
	Share capital	Currency translation ¹	Hedging reserves ¹	Total reserves	Retained earnings	Total		
Equity at 1 January	2,837	-40,889	-822	-41,711	70,776	31,902	2,820	34,722
Profit for the period	-	-	-	-	3,495	3,495	660	4,155
Other comprehensive income	-	-2,263	35	-2,228	-45	-2,273	-160	-2,433
Total comprehensive income for the period	-	-2,263	35	-2,228	3,450	1,222	500	1,722
Cancellation of treasury shares	-90	-	-	-	90	-	-	-
Share-based payments	-	-	-	-	58	58	-	58
Dividends paid to shareholders	-	-	-	-	-3,695	-3,695	-891	-4,586
Share buy-back	-	-	-	-	-1,289	-1,289	-	-1,289
Non-controlling interests	-	-	-	-	88	88	-	88
Total changes in equity	-90	-2,263	35	-2,228	-1,298	-3,616	-391	-4,007
Equity at 30 June	2,747	-43,152	-787	-43,939	69,478	28,286	2,429	30,715

¹ At 30 June 2023, prior to the deconsolidation of the discontinued operation in Russia in July 2023, the related accumulated currency translation and hedging reserves within equity represented losses of DKK 41.9bn and DKK 0.5bn respectively.

STATEMENT OF CASH FLOWS

DKK million	HI 2024	HI 2023	2023
Operating profit before special items	6,336	6,272	11,105
Depreciation, amortisation and impairment losses	2,019	1,957	4,074
Operating profit before depreciation, amortisation and impairment losses¹	8,355	8,229	15,179
Other non-cash items	-224	-243	-499
Change in trade working capital	453	685	698
Change in other working capital	-1,289	-790	-780
Restructuring costs and other special items paid	-87	-294	-552
Interest etc. received	261	130	329
Interest etc. paid	-499	-479	-602
Income tax paid	-1,089	-1,130	-2,166
Cash flow from operating activities	5,881	6,108	11,607
Acquisition of property, plant and equipment and intangible assets	-2,279	-1,792	-4,243
Disposal of property, plant and equipment and intangible assets	40	50	115
Change in on-trade loans	-29	-20	-10
Total operational investments	-2,268	-1,762	-4,138
Free operating cash flow	3,613	4,346	7,469
Acquisition and disposal of subsidiaries, net	-	-802	-822
Acquisition and disposal of associates, net	-115	-	-7
Acquisition and disposal of financial investments, net	2,233	-1	-2,248
Change in financial receivables	-8	-14	-26
Dividends received	280	255	512
Total financial investments	2,390	-562	-2,591
Cash flow from investing activities	122	-2,324	-6,729
Free cash flow	6,003	3,784	4,878
Shareholders in Carlsberg A/S	-3,601	-3,695	-3,695
Share buy-back	-1,899	-1,289	-3,200
Non-controlling interests	-919	-891	-1,106
External financing	-2,277	5,575	9,371
Cash flow from financing activities	-8,696	-300	1,370
Net cash flow from continuing operations	-2,693	3,484	6,248
Net cash flow from discontinued operations ²	-	2,026	-994
Net cash flow	-2,693	5,510	5,254
Cash and cash equivalents at 1 January	13,382	8,163	8,163
Cash and cash equivalents included in discontinued operations ² at 1 January	-	1,194	1,194
Foreign exchange adjustment of cash and cash equivalents	20	-1,015	-1,229
Cash and cash equivalents included in discontinued operations ²	-	-2,627	-
Cash and cash equivalents at period-end³	10,709	11,225	13,382

¹ Impairment losses exclude those reported in Special items.

² The discontinued operation in Russia was deconsolidated as of July 2023.

³ Cash and cash equivalents less bank overdrafts.

NOTE 1 (PAGE 1 OF 2)

SEGMENT REPORTING BY REGION

	Q2 2024	Q2 2023	HI 2024	HI 2023	2023
Beer (million hl)					
Western Europe	8.2	8.4	14.1	14.3	28.7
Asia	11.3	11.3	22.5	22.0	39.1
Central & Eastern Europe and India	10.2	9.6	16.8	16.1	33.2
Total	29.7	29.3	53.4	52.4	101.0
Other beverages (million hl)					
Western Europe	3.9	4.1	7.1	7.3	14.7
Asia	1.8	1.8	3.3	3.4	5.9
Central & Eastern Europe and India	1.1	1.0	1.9	1.7	3.5
Total	6.8	6.9	12.3	12.4	24.1
Revenue (DKK million)					
Western Europe	10,810	10,831	18,862	18,382	37,317
Asia	5,890	5,993	11,646	11,784	20,780
Central & Eastern Europe and India	4,934	4,557	8,254	7,616	15,467
Not allocated	1	2	4	6	21
Beverages, total	21,635	21,383	38,766	37,788	73,585
Non-beverage	-	-	-	-	-
Total	21,635	21,383	38,766	37,788	73,585
Operating profit before depreciation, amortisation and special items (EBITDA, DKK million)					
Western Europe			3,499	3,427	6,825
Asia			3,474	3,531	5,914
Central & Eastern Europe and India			1,988	1,781	3,594
Not allocated			-590	-494	-1,114
Beverages, total			8,371	8,245	15,219
Non-beverage			-16	-16	-40
Total			8,355	8,229	15,179
Operating profit before special items (DKK million)					
Western Europe			2,598	2,551	4,975
Asia			2,819	2,891	4,586
Central & Eastern Europe and India			1,601	1,428	2,846
Not allocated			-667	-584	-1,260
Beverages, total			6,351	6,286	11,147
Non-beverage			-15	-14	-42
Total			6,336	6,272	11,105
Operating margin (%)					
Western Europe			13.8	13.9	13.3
Asia			24.2	24.5	22.1
Central & Eastern Europe and India			19.4	18.8	18.4
Not allocated			-	-	-
Beverages, total			16.4	16.6	15.1
Non-beverage			-	-	-
Total			16.3	16.6	15.1

NOTE 1 (PAGE 2 OF 2)

SEGMENT REPORTING BY REGION

DKK million	30 June 2024	30 June 2023	2023
Invested capital, period-end			
Western Europe	35,744	34,596	34,670
Asia	16,106	15,381	15,976
Central & Eastern Europe and India	10,788	10,642	9,992
Not allocated	-105	68	-286
Beverages, total	62,533	60,687	60,352
Non-beverage	662	929	737
Total	63,195	61,616	61,089
Invested capital excl. goodwill, period-end			
Western Europe	15,273	14,228	14,190
Asia	1,797	1,154	1,776
Central & Eastern Europe and India	7,140	6,901	6,357
Not allocated	-105	68	-286
Beverages, total	24,105	22,351	22,037
Non-beverage	662	929	737
Total	24,767	23,280	22,774
Return on invested capital, ROIC (%), 12-month average			
Western Europe	11.4	11.1	11.4
Asia	21.5	22.6	21.9
Central & Eastern Europe and India	23.6	23.2	22.9
Not allocated	-	-	-
Beverages, total	14.7	14.9	14.8
Non-beverage	-	-	-
Total	14.5	15.2	14.5
Return on invested capital excl. goodwill (%), 12-month average			
Western Europe	26.9	26.7	27.0
Asia	195.7	278.0	228.1
Central & Eastern Europe and India	36.3	35.5	35.4
Not allocated	-	-	-
Beverages, total	38.9	41.8	40.0
Non-beverage	-	-	-
Total	37.6	41.2	38.3

NOTE 2

SEGMENT REPORTING BY ACTIVITY

DKK million	HI 2024			HI 2023		
	Beverages	Non-beverages	Total	Beverages	Non-beverages	Total
Revenue	38,766	-	38,766	37,788	-	37,788
Operating profit before special items	6,351	-15	6,336	6,286	-14	6,272
Special items, net	-139	-	-139	-154	-15	-169
Financial items, net	-530	-20	-550	-326	-6	-332
Profit before tax	5,682	-35	5,647	5,806	-35	5,771
Income tax	-1,204	5	-1,199	-1,217	5	-1,212
Profit from continuing operations	4,478	-30	4,448	4,589	-30	4,559
Loss from discontinued operations	-	-	-	-404	-	-404
Profit for the period	4,478	-30	4,448	4,185	-30	4,155
Attributable to:						
Non-controlling interests	711	-	711	660	-	660
Shareholders in Carlsberg A/S (net profit)	3,767	-30	3,737	3,525	-30	3,495

NOTE 3

SEGMENT REPORTING BY HALF-YEAR

DKK million	HI 2024	HI 2023	2023
Revenue			
Western Europe	18,862	18,382	37,317
Asia	11,646	11,784	20,780
Central & Eastern Europe and India	8,254	7,616	15,467
Not allocated	4	6	21
Beverages, total	38,766	37,788	73,585
Non-beverages	-	-	-
Total	38,766	37,788	73,585
Operating profit before special items			
Western Europe	2,598	2,551	4,975
Asia	2,819	2,891	4,586
Central & Eastern Europe and India	1,601	1,428	2,846
Not allocated	-667	-584	-1,260
Beverages, total	6,351	6,286	11,147
Non-beverages	-15	-14	-42
Total	6,336	6,272	11,105
Special items, net	-139	-169	-431
Financial items, net	-550	-332	-844
Profit before tax	5,647	5,771	9,830
Income tax	-1,199	-1,212	-1,859
Profit from continuing operations	4,448	4,559	7,971
Loss from discontinued operations	-	-404	-47,748
Profit for the period	4,448	4,155	-39,777
Attributable to:			
Non-controlling interests	711	660	1,011
Shareholders in Carlsberg A/S (net profit)	3,737	3,495	-40,788

NOTE 4

Special items

DKK million	H1 2024	H1 2023	2023
Special items, income			
Derecognition of loan and payables to the discontinued operation in Russia	-	-	350
Revaluation gain on acquisition of Jing-A Group	-	-	20
Gain on disposal of entities	-	11	11
Reversal of provisions made in prior years	-	100	-
Income	-	111	381
Special items, expenses			
Impairment of brands	-	-	-525
Reversal of impairment losses	-	-	400
Impairment of non-current assets in Cambodia	-	-	-152
Impairment of property, plant and equipment	-	-	-33
Impairment of receivables from the discontinued operation in Russia	-	-	-76
Reversal of provisions made in prior years	-	-	100
Cost of termination of a licensee agreement	-	-196	-196
Restructuring projects and provisions	-1	-43	-141
Costs related to acquisition and disposal of entities etc.	-108	-	-117
Impairment of assets and other war-related costs in Ukraine	-12	-7	-28
Donations	-	-	-2
Other expenses	-18	-34	-42
Expenses	-139	-280	-812
Special items, net	-139	-169	-431

NOTE 5

NET FINANCIAL EXPENSES

DKK million	HI 2024	HI 2023	2023
Financial income			
Interest income	224	146	381
Interest on plan assets, defined benefit plans	-	-	309
Other	3	3	5
Total	227	149	695
Financial expenses			
Interest expenses	-534	-315	-752
Capitalised financial expenses	10	3	8
Foreign exchange losses, net	-98	-21	-151
Interest expenses on obligations, defined benefit plans	-24	-25	-339
Interest expenses, lease liabilities	-19	-13	-32
Bank fees	-74	-68	-142
Other	-38	-42	-131
Total	-777	-481	-1,539
Financial items, net, recognised in the income statement	-550	-332	-844
Financial items excluding foreign exchange, net	-452	-311	-693

NOTE 6

DEBT AND CREDIT FACILITIES

DKK million

Time to maturity for non-current borrowings,
30 June 2024

	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Issued bonds	3,722	9,299	-	5,186	11,097	29,304
Bank borrowings	66	36	17	5	-	124
Lease liabilities	403	123	104	71	644	1,345
Other non-current borrowings	2	1	1	1	16	21
Total	4,193	9,459	122	5,263	11,757	30,794
Financial liabilities, 30 June 2023	526	3,854	9,396	92	7,307	21,175

DKK million

Currency split of net financial debt¹

	30 June 2024	30 June 2023
EUR	23,293	18,897
USD	2,753	2,857
CHF	1,762	2,029
Other currencies	-1,439	-225
Total	26,369	23,558

¹After currency swap.

DKK million

Committed credit facilities

	30 June 2024	30 June 2023
< 1 year	7,433	14,769
1-2 years	19,116	531
2-3 years	9,459	18,749
3-4 years	122	9,396
4-5 years	5,263	92
> 5 years	11,757	7,307
Total	53,150	50,844
Current	7,433	14,769
Non-current	45,717	36,075

NOTE 7

NET INTEREST-BEARING DEBT

DKK million	HI 2024	HI 2023	2023
Issued bonds	29,304	19,652	29,270
Bank borrowings	124	154	136
Lease liabilities	1,345	1,247	1,335
Other non-current borrowings	21	122	22
Total non-current borrowings	30,794	21,175	30,763
Issued bonds	-	11,159	7,448
Bank borrowings	265	335	323
Lease liabilities	443	392	466
Other current borrowings	5,576	1,734	101
Total current borrowings	6,284	13,620	8,338
Gross financial debt	37,078	34,795	39,101
Deposits and securities	-	-	-2,236
Cash and cash equivalents	-10,709	-11,237	-13,382
Net financial debt	26,369	23,558	23,483
Loans to associates, interest-bearing portion	-292	-281	-276
On-trade loans, net	-452	-473	-460
Other receivables, net	-406	-440	-396
Other interest-bearing assets, net	-1,150	-1,194	-1,132
Net interest-bearing debt	25,219	22,364	22,351

Changes in net interest-bearing debt

	HI 2024	HI 2023	2023
Net interest-bearing debt at beginning of period	22,351	19,326	19,326
Cash flow from operating activities	-5,881	-6,108	-11,607
Cash flow from investing activities, excl. acquisition of entities, net	1,996	1,521	5,907
Cash flow from acquisition of entities etc., net	-2,118	803	822
Dividends to shareholders and non-controlling interests	4,520	4,586	4,801
Share buy-back	1,899	1,289	3,200
Acquired net interest-bearing debt	-	366	417
Change in interest-bearing lending	2,206	99	-2,043
Effect of currency translation	6	461	614
Lease liabilities, net	216	-90	567
Other	24	111	347
Total change	2,868	3,038	3,025
Net interest-bearing debt, end of period	25,219	22,364	22,351

NOTE 8

EVENTS AFTER THE REPORTING PERIOD

Apart from the events recognised or disclosed in this announcement, no events have occurred after the reporting period of importance to the financial statements.

RECOMMENDED OFFER TO ACQUIRE BRITVIC PLC

On 8 July, we announced the recommended offer for Britvic plc, amounting to approximately GBP 3.3bn. The acquisition will be carried out by way of a scheme of arrangement under Part 26 of the UK Companies Act 2006. It is currently expected that the scheme will become effective during the first quarter of 2025. The cash offer is described in detail in a separate company announcement of 8 July 2024.

ACQUISITION OF REMAINING 40% OF CARLSBERG MARSTON'S LIMITED

On 8 July, we announced the purchase of the remaining 40% of Carlsberg Marston's Limited from Marston's PLC at a price of GBP 206m, giving us 100% ownership of our UK business. The transaction was completed on 31 July.

AGREEMENT TO ACQUIRE REMAINING SHARES IN CSAPL

On 2 August, we announced the signing of an agreement to acquire the remaining 33.33% of Carlsberg South Asia Pte. Ltd. (CSAPL, the holding company of the businesses in India and Nepal) and 9.94% of Gorkha Brewery in Nepal, giving us 99.94% ownership and full control of two important Asian businesses. The total purchase price is USD 744m. The transactions are expected to complete in Q4 2024. USD 207m of the USD 744m will be retained by Carlsberg to be released subject to potential claims under the share purchase agreement (likely after 3-5 years).