



Equity Valuation of Carlsberg A/S:
A Multi-Method Assessment of Intrinsic Value
in a Mature Global Brewing Industry

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Abstract

Title: Equity Valuation of Carlsberg A/S: A Multi-Method Assessment of Intrinsic Value in a Mature Global Brewing Industry

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Keywords: Carlsberg A/S, Equity Valuation, Adjusted Present Value (APV), Monte Carlo Simulation, Relative Valuation, Discounted Cash Flow (DCF), Brewing Industry, Premiumization, Capital Structure, Cost of Capital

This thesis employs a multi-method valuation framework to determine the intrinsic equity value of Carlsberg A/S as of January 1, 2026. Carlsberg is a global leader in brewing with a diverse portfolio of beer and soft drink brands worldwide. The company generates continuous cash flow and faces structural trends, including premiumization and portfolio diversification. However, the recent Britvic transaction increased leverage and altered the capital structure, complicating valuation.

Monte Carlo simulations, forward-looking trading multiples, and an adjusted present value framework reduce parameter uncertainty. For robustness, a standard discounted cash flow model based on WACC is calculated. Forecasts include strategic efforts, portfolio modifications to focus on premium and non-alcoholic categories, and deleveraging after the Britvic merger. Peer-group comparison ensures that the valuation meets industry norms and market benchmarks.

A forward-looking multiple implies a value of DKK 1,085 per share, while the APV approach generates an equity value of DKK 1,049 per share. The results of the Monte Carlo simulation are indicative of the sensitivity of the results to discount rates, margin assumptions, and terminal growth parameters, as evidenced by the average equity value of DKK 1,048 per share. The central estimates across these approaches are reflected in the final target price of DKK 1,061.

In general, the results suggest that Carlsberg's market valuation is a fair reflection of its fundamental positioning as a stable consumer staple with moderate growth prospects. However, a balanced investment posture is warranted by the limited upside potential and sensitivity to long-term assumptions.

Resumo

Título: Avaliação patrimonial da Carlsberg A/S: uma avaliação multimétodo do valor intrínseco numa indústria cervejeira global madura

Autor: Oskar Felix Ruethemann

Palavras-chave: Carlsberg A/S, Avaliação do património líquido, Valor presente ajustado (APV), Simulação de Monte Carlo, Avaliação relativa, Fluxo de caixa descontado (DCF), Indústria cervejeira, Premiumização, Estrutura de capital, Custo de capital

Esta tese utiliza uma avaliação multimétodo para calcular o valor intrínseco do património líquido da Carlsberg A/S em 1º de janeiro de 2026. A Carlsberg é a principal produtora de cerveja global, com uma variedade de marcas de cerveja e refrigerantes. A empresa possui fluxo de caixa constante e passa por mudanças estruturais, como premiumização e diversificação. A recente transação com a Britvic elevou a alavancagem e mudou a estrutura de capital, dificultando a avaliação.

Simulações de Monte Carlo, múltiplos de negociação e uma estrutura de valor presente ajustada diminuem a incerteza dos parâmetros. Um modelo padrão de fluxo de caixa descontado é calculado com base no WACC para maior robustez. As previsões incluem estratégias, ajustes no portfólio focando em categorias premium e não alcoólicas, e desalavancagem após a fusão com a Britvic. A comparação com pares assegura que a avaliação siga as normas do setor e os padrões de mercado.

Um múltiplo prospectivo tem valor de 1,085 coroas dinamarquesas por ação, enquanto a abordagem APV resulta em 1,049 coroas dinamarquesas por ação. Os resultados da simulação de Monte Carlo mostram a sensibilidade às taxas de desconto e parâmetros de crescimento, como evidenciado pelo valor patrimonial médio de 1,048 coroas dinamarquesas por ação. As estimativas centrais dessas abordagens resultam em um preço-alvo de 1,061 coroas dinamarquesas.

Os resultados indicam a avaliação da Carlsberg reflete posicionamento como produto de consumo estável, com crescimento moderado. Uma postura equilibrada é justificada pelo potencial de alta restrito e sensibilidade às premissas de longo prazo.

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List of Abbreviations

APV: Adjusted Present Value

BETA: Systematic Risk Coefficient

CapEx: Capital Expenditures

CAGR: Compound Annual Growth Rate

CAPM: Capital Asset Pricing Model

CEEI: Central & Eastern Europe and India

CoS: Cost of Sales

DCF: Discounted Cash Flow

DDM: Dividend Discount Model

DSO: Days Sales Outstanding

DPO: Days Payables Outstanding

DIO: Days Inventory Outstanding

EBIT: Earnings Before Interest and Taxes

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization

ERP: Equity Risk Premium

EV: Enterprise Value

FCFE: Free Cash Flow to Equity

FCFF: Free Cash Flow to the Firm

GDP: Gross Domestic Product

LSEG: London Stock Exchange Group

NOLO: No & Low alcohol

NWC: Net Working Capital

OWC: Operating Working Capital

P/E: Price–Earnings Ratio

PPE: Property, Plant and Equipment

PV: Present Value

SAIL: Strengthen, Accelerate, Invest, Lead

TV: Terminal Value

WACC: Weighted Average Cost of Capital

1. Introduction

The global brewing industry is distinguished by mature primary markets, moderate long-term growth, and an increasing level of competitive intensity. Simultaneously, the sector is still being influenced by structural trends and evolving consumer preferences. In this context, it is essential to differentiate between temporary market effects and sustainable value drivers to evaluate the intrinsic value of established consumer staple companies.

Carlsberg A/S, a global brewing conglomerate, administers a diverse portfolio of local and international brands worldwide. This portfolio is bolstered by a balanced business mix and strong regional positions. The company's leverage profile and capital structure have been significantly altered by recent strategic developments, particularly the acquisition of Britvic, which has added complexity to its valuation. The question of whether the company's current market valuation is consistent with its fundamental prospects is prompted by these dynamics.

The purpose of this dissertation is to evaluate the intrinsic equity value of Carlsberg A/S as of 01 January 2026 and to determine whether the current share price accurately represents the company's fundamentals. In order to accomplish this, a triangulated valuation framework is implemented. The conceptual anchor is the Adjusted Present Value approach, which is supplemented by a Monte Carlo simulation to account for parameter uncertainty and a relative valuation based on trading multiples as a market benchmark. The model's robustness is evaluated using a conventional WACC-based DCF, however, it will not serve as the primary valuation methodology.

Subsequently, the analysis that follows establishes an economically grounded valuation by methodically connecting strategic positioning, financial performance, and capital structure dynamics.

2. Literature Review

This literature review offers a thorough examination of the primary valuation methodologies utilized in corporate finance and equity analysis. It outlines the theoretical foundations, methodological developments, and practical relevance of the most widely used valuation approaches.

2.1 Introduction to Equity Valuation

Equity valuation is a key part of finance that helps people make decisions about investments, manage their portfolios, and do business with other companies. Valuation seeks to determine the intrinsic value of an asset by correlating its expected future earnings with the associated risks of generating those cash flows (Damodaran, 2012). In the valuation literature, there are four main valuation methods:

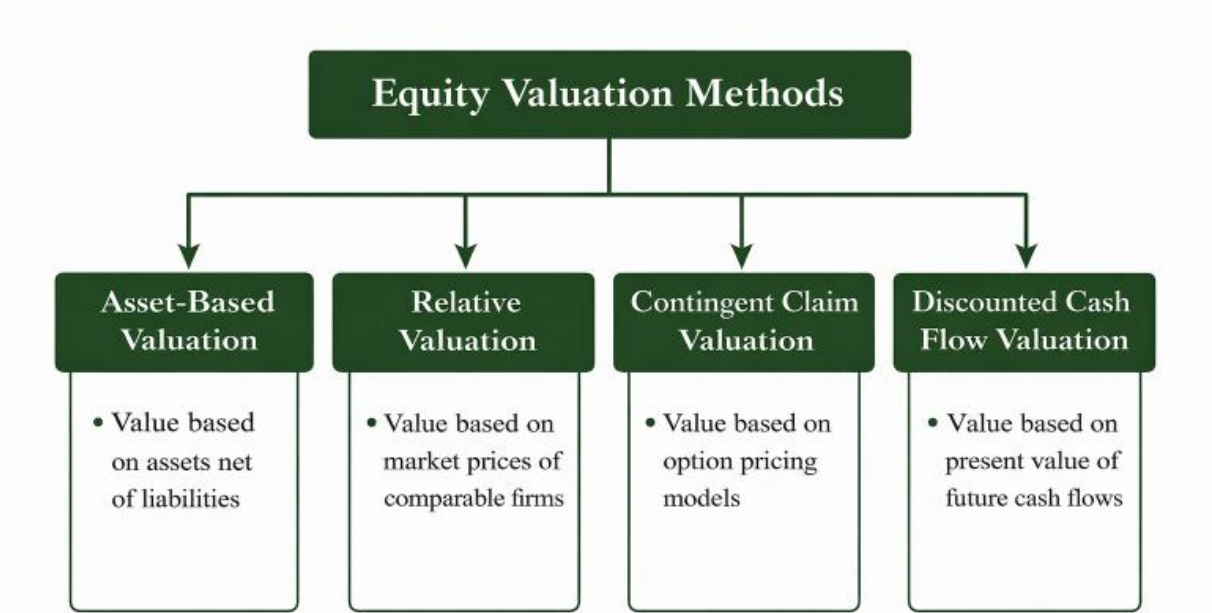


Figure 1: Equity Valuation Methods

Source: Damodaran, 2012

Each method of valuing a company is based on different ideas about market efficiency, growth, and risk (Damodaran, 2012). Relative valuation is widely used in practice, but DCF is still the theoretical basis for valuation since it directly connects a company’s value to its expected cash flow over time.

2.2 Discounted Cash Flow (DCF) Models

Discounted Cash Flow valuation is one of the most widely accepted and theoretically robust approaches to estimating a company’s intrinsic value. The model is based on the idea that the

value of a business is equal to the present value of its expected future cash flows, which are discounted at a rate which reflects how risky those cash flows are (Damodaran, 2012). The general formulation of the DCF model can be expressed as:

$$\text{Enterprise Value} = \sum_{t=1}^{t=n} \frac{CF_t}{(1+k)^t} + \frac{\text{Terminal Value}_n}{(1+k)^n}$$

Equation 1: DCF Model

Where:

CF_t = Cash flow at time t
 k = Discount rate

The first part of the equation shows the present value of forecasted cash flows, while the terminal value represents all future cash flows beyond the forecast horizon. The discount rate, which is often the company's weighted average cost of capital (Brealey et al., 2011), takes into account both the time value of money and operational risk. There are many ways to use DCF models, such as Free Cash Flow to Firm, Free Cash Flow to Equity, or Adjusted Present Value. The choice depends on the valuation viewpoint and the capital structure.

2.2.1 Free Cash Flow to Firm (FCFF)

Free Cash Flow to Firm and Free Cash Flow to Equity are central concepts in DCF valuation, representing the cash available to all capital providers and to equity holders, respectively. FCFF measures the cash flow generated by the company's core operations after accounting for taxes, reinvestment in fixed and working capital, but before any payments to debt or equity holders (Damodaran, 2012). Thus, it shows the full value of the company, regardless of its capital structure. The FCFF is computed as:

$$FCFF = EBIT \times (1 - \tau) + \text{Depreciation} - \text{CapEx} - \Delta NWC$$

Equation 2: Free Cash Flow to Firm

Where:

$EBIT$ = Earnings before interest and taxes
 τ = Tax rate
 $CapEx$ = Capital expenditures
 NWC = Net working capital

2.2.2 Free Cash Flow to Equity (FCFE)

On the other hand, the Free Cash Flow to Equity shows how much cash flow is available to common shareholders after all expenses, reinvestments, and cash flows related to debt have been paid. It can be obtained from FCFF as:

$$FCFE = FCFF - Interest\ Expense \times (1 - \tau) - Principal\ Repayments \\ + New\ Debt\ Issues - Preferred\ Dividends$$

Equation 3: Free Cash Flow to Equity from FCFF

Alternatively, when FCFE is computed directly from net income, the formula becomes:

$$FCFE = Net\ Income + Depreciation - \Delta NWC - CapEx + Net\ Borrowing$$

Equation 4: Free Cash Flow to Equity

The FCFF valuation gives the enterprise value, while the FCFE valuation directly estimates the equity value (Stowe et al., 2007). The decision between the two hinges on assumptions regarding capital structure: FCFF is typically favored when leverage is anticipated to fluctuate, as it distinguishes operating performance from financing impacts, whereas FCFE is more appropriate when leverage remains constant and debt cash flows are foreseeable.

2.2.3 Adjusted Present Value (APV)

The APV approach represents an alternative implementation of the DCF framework that explicitly separates a firm's operating value from the effects of its financing decisions. Originally, the APV methodology builds on the Modigliani-Miller propositions by decomposing firm value into the value of the unlevered firm and the present value of financing side effects (Myers, 1974).

Under the APV framework, firm value can be expressed as:

$$APV = V_U + PV(Tax\ Shield) - PV(Expected\ Bankruptcy\ Costs)$$

Equation 5: Adjusted Present Value

Where:

V_U = Value of firm with 100% equity financing
 $PV(Tax\ Shield)$ = Present value of expected tax benefits of debt
 $PV(Expected\ Bankruptcy\ Costs)$ = Present value of bankruptcy costs

The APV method states that the value of a company equals the value of unlevered free cash flows plus the present value of financing effects, separating operating and financing components. In contrast, the WACC framework includes financing assumptions in the discount rate. APV is especially useful when the capital structure is likely to change (Luehrman, 1997), but it is not used as much as WACC-based DCF models (Damodaran, 2012) because it is based on estimates of tax shields and distress costs. The interest tax shield and expected distress costs are explained in more detail in Appendix I.

2.2.4 Dividend Discount Model (DDM)

The DDM represents one of the earliest applications of present value theory to equity valuation and values equity as the present value of all expected future dividends (Williams, 1938). In the DCF model, dividends are seen as the cash flows which go directly to shareholders.

The theoretical value of a stock is based on both the dividends it pays while holding it and the expected selling price. The anticipated price is contingent upon future dividends; thus, equity value can be expressed as the present value of perpetually extending dividends (Stowe et al., 2007):

$$V_0 = \sum_{t=1}^{\infty} \frac{D_t}{(1 + r)^t}$$

Equation 6: Dividend Discount Model

- Where:*
 V_0 = Current value of stock price
 D_t = Expected dividend in period t
 r = Required return on equity

In practice, the infinite-horizon formulation demands the simplification of growth assumptions, commonly employing constant or multi-stage models. However, because dividends depend on payout policy, they may not fully capture underlying value creation for firms with flexible reinvestment strategies. As a result, the DDM is still a theoretical benchmark, but free cash flow-based DCF models are usually more effective for real-world valuation (Damodaran, 2012).

2.3 Cost of Capital

In the DCF approach, the discount rate converts risk and the time value of money into present value calculations. Projected cash flows represent anticipated value creation, but the cost of

capital indicates the return demanded by investors for assuming the related risk (Brealey et al., 2011).

The appropriate discount rate depends on the valuation perspective. Firm valuation based on FFCF requires a rate reflecting the required returns of both debt and equity holders, whereas valuation based on equity cash flows requires the cost of equity alone. The following sections outline these components in detail.

2.3.1 Weighted Average Cost of Capital (WACC)

The WACC represents the average required return demanded by a firm's providers of debt and equity capital, weighted by their respective market value proportions. In a WACC-based DCF framework, the WACC serves as the suitable discount rate for free cash flows to the firm, as it encapsulates the risk shared by all capital providers. The WACC can be articulated as:

$$WACC = \left(\frac{D}{D + E} \times r_d \times (1 - \tau) \right) + \left(\frac{E}{D + E} \times r_e \right)$$

Equation 7: Weighted Average Cost of Capital

Where:

| | |
|----------------------|--------------------------|
| <i>D</i> | = Market value of debt |
| <i>E</i> | = Market value of equity |
| <i>r_d</i> | = Cost of debt |
| <i>r_e</i> | = Cost of equity |
| <i>τ</i> | = Tax rate |

The use of the after-tax cost of debt reflects the tax deductibility of interest payments and the resulting interest tax shield, consistent with the Modigliani-Miller framework with corporate taxes. This tax benefit reduces the effective cost of debt and is thus included in the WACC calculation.

The utilization of WACC presupposes a stable goal capital structure, wherein the discount rate remains constant and theoretically coherent for overall cash flows of the firm. If the capital structure is anticipated to undergo significant changes over time, a constant WACC may be unsuitable, and alternative methodologies like the adjusted present value technique may offer enhanced conceptual clarity (Damodaran, 2012).

2.3.2 Cost of Debt

The cost of debt is the compensation demanded for enduring default risk and the return required by a firm's creditors. The marginal cost of debt is the pertinent measure in valuation theory, as it represents the return that must be earned on newly issued debt, rather than historical financing costs (Brealey et al., 2011).

The cost of debt can be calculated as the sum of a risk-free rate and a credit spread, where the credit spread compensates lenders for the firm's credit risk. The after-tax cost of debt is the appropriate input for valuation purposes, as interest payments are tax-deductible. This can be expressed as:

$$ATCD = (RFRR + CS) \times (1 - \tau)$$

Equation 8: Cost of Debt

Where:

| | |
|-------------|-----------------------------------|
| <i>ATCD</i> | = <i>After-tax cost of debt</i> |
| <i>RFRR</i> | = <i>Risk-free rate of return</i> |
| <i>CS</i> | = <i>Credit spread</i> |
| <i>τ</i> | = <i>Tax rate</i> |

Leverage, cash flow stability, and overall business risk all contribute to the credit spread, which is indicative of the firm's default risk. In accordance with the firm's capital structure, the after-tax cost of debt is incorporated into the discount rate within the WACC framework, thereby incorporating both the tax benefits of debt and the additional financial risk associated with leverage.

2.3.3 Cost of Equity

The cost of equity is the return necessary to compensate shareholders for systematic risk, which is why it exceeds the cost of debt. This is because equity holders are responsible for residual risk (Brealey et al., 2011; Damodaran, 2012). It functions as the discount rate for equity cash flows and is incorporated into firm valuation as the required return on equity through the WACC (Koller et al., 2020). The Capital Asset Pricing Model is the most prominent asset pricing model used to estimate it, as it is not directly observable (Sharpe, 1964; Lintner, 1965).

2.3.3.1 Capital Asset Pricing Model (CAPM)

The CAPM offers a theoretical framework for estimating the anticipated return on equity in relation to systematic risk. The CAPM, which was developed by Sharpe (1964), Lintner (1965),

and Mossin (1966), is based on the principle that investors are only compensated for non-diversifiable risk, as idiosyncratic risk can be eliminated through diversification.

Under the CAPM, the expected return on equity is:

$$E(R_i) = R_f + \beta_i [E(R_m) - R_f]$$

Equation 9: Capital Asset Pricing Model

Where:

$E(R_i)$ = Expected return on asset i given its beta

R_f = Risk-free rate of return

β_i = Asset's sensitivity to returns on the market portfolio (beta)

$E(R_m)$ = Expected return on the market portfolio

The CAPM suggests a linear relationship between systematic risk and expected returns, with beta indicating a firm's contribution to market risk. Consequently, organizations that have a greater degree of market exposure necessitate higher anticipated returns.

In valuation practice, the CAPM remains the standard model for estimating the cost of equity due to its parsimony and direct relationship between risk and return, despite its empirical limitations (Damodaran, 2012; Brealey et al., 2011).

2.3.3.2 Risk-free Rate

The risk-free rate is the baseline return in asset pricing models and represents the return on an investment with no uncertainty regarding future financial flows (Sharpe, 1964).

In practice, it is represented by long-term government securities that are presumed to be devoid of default risk (Damodaran, 2010). To maintain theoretical consistency, the maturity of the risk-free asset must correspond with the valuation horizon. Consequently, government bonds with maturities of approximately ten years are frequently employed (Frykman & Tolleryd, 2003). Further, the risk-free rate must be denominated in the same currency as the projected cash flows, which implies that government bonds issued in the firm's native country serve as the benchmark.

2.3.3.3 Equity Risk Premium (ERP)

The ERP represents the additional return investors require for holding a diversified equity portfolio instead of a risk-free asset, compensating for non-diversifiable market risk (Sharpe, 1964).

Within the CAPM, the ERP captures the market-wide compensation for systematic risk and reflects investors' aggregate risk aversion and expectations about economic conditions (Damodaran, 2012). As it is not directly observable, the ERP must be estimated. The literature distinguishes between historical estimates based on realized excess returns and forward-looking or implied estimates derived from current market prices (Damodaran, 2012; Brealey et al., 2011). Given its direct influence on the cost of equity and, through the WACC, on firm valuation, the ERP constitutes a central input in discounted cash flow analysis.

2.3.3.4 Beta

Beta is a metric that quantifies the degree of sensitivity of a firm's equity returns to changes in the market portfolio and its exposure to systematic market risk. Investors are compensated for the pertinent source of risk within the CAPM, beta, as idiosyncratic risk can be diversified away (Sharpe, 1964). Beta is officially defined as:

$$\beta = \frac{Cov(R_i, R_m)}{Var(R_m)}$$

Equation 10: Beta

Where:

Cov = Covariance

Var = Variance

R_i = Return on an individual stock

R_m = Return on the market portfolio

A beta greater than one signifies heightened market sensitivity, whereas a beta less than one denotes reduced systematic risk. Beta is influenced by operational factors and financial leverage, as increased leverage heightens equity risk.

It is imperative to differentiate between levered and unlevered beta for valuation purposes. Levered beta reflects both financial and business risk, whereas unlevered beta isolates operating risk by removing capital structure effects, ensuring consistency with the firm's target leverage (Damodaran, 2012). Beta continues to be the conventional measure of systematic risk in valuation practice, despite its empirical limitations (Brealey et al., 2011).

2.4 Terminal Value (TV)

In DCF valuation, terminal value denotes the present value of cash flows extending beyond the explicit projection period and generally constitutes a significant fraction of overall business value (Damodaran, 2012). Due to the inability to estimate cash flows forever with accuracy,

valuation models posit that enterprises will eventually reach a steady state defined by sustainable growth and stable economic fundamentals, hence maintaining internal consistency within the DCF framework.

2.4.1 Perpetual Growth Model

The perpetual growth (Gordon) model is the most frequently employed method for estimating TV. This model presupposes that free cash flows continue to increase at a consistent rate beyond the explicit forecast period. The terminal value is determined by the following:

$$\text{Terminal Value} = \frac{FCF_{n+1}}{r - g}$$

Equation 11: Perpetual Growth Model

Where:

FCF_{n+1} = Free cash flow in the first period following the explicit forecast horizon
 r = Discount rate reflecting risk of the cash flows (for FCFE, WACC)
 g = Constant perpetual growth rate of free cash flows beyond forecast period

The model is based on long-term equilibrium assumptions and necessitates that $g < r$, aligning with sustainable economic growth (Gordon & Shapiro, 1956; Damodaran, 2012). Despite its conceptual simplicity, the model is highly dependent on the presumed growth rate, which is why the justification of long-term growth assumptions is essential for achieving credible valuation outcomes.

2.4.2 Exit Multiple Approach

Using the exit multiple approach, TV can be approximated as an alternative to the perpetual growth model. This approach applies a valuation multiple to a financial metric at the conclusion of the forecast period (Koller et al., 2020). This method, which is based on relative valuation principles, presupposes that the firm will be valued in accordance with comparable companies at the terminal date (Damodaran, 2012).

2.5 Relative Valuation

Relative valuation calculates the value of a firm by comparing it to the market prices of comparable companies, presuming that similar firms should trade at comparable multiples after accounting for differences in risk, growth, and profitability (Damodaran, 2012). It is widely used in practice due to its simplicity and alignment with market conditions, and it reflects relative value rather than intrinsic value. Consequently, relative valuation functions as an essential market-based benchmark and consistency verification alongside discounted cash flow

analysis; however, it does not substitute for cash flow-based valuation methodologies (Brealey et al., 2011).

2.5.1 Multiples

The relationship between a firm's market value and a chosen financial performance measure is denoted by valuation multiples. The relative valuation approach in this study utilizes the enterprise value multiples EV/EBITDA, EV/EBIT, and EV/Revenue, as well as the equity multiple price-to-earnings (P/E). While the P/E ratio directly ties equity value to net earnings, enterprise value multiples are particularly suitable for cross-firm comparisons, as they are independent of capital structure and focus on operating performance (Koller et al., 2020). Valuation multiples can be interpreted as reduced-form representations of the underlying discounted cash flow models from a theoretical perspective. Specifically, multiples incorporate assumptions regarding anticipated growth, risk, and profitability, despite the fact that these assumptions are not explicitly stated (Damodaran, 2012). Consequently, disparities in multiples among firms may be indicative of fundamental differences rather than mispricing. The identification of genuinely comparable firms and the adjustment for differences in capital structure, accounting policies, and business risk are the primary challenges in relative valuation. Consequently, the interpretation of valuation multiples necessitates a thorough examination of the economic variables that underlie observed market prices, despite their widespread application in practice (Brealey et al., 2011).

2.6 Other Valuation Methods

In addition to discounted cash flow and relative valuation approaches, the valuation literature introduces several alternative methods that may be appropriate under specific circumstances. These methods are typically implemented in niche environments or as supplementary instruments, rather than as independent valuation frameworks for mature, publicly traded organizations (Damodaran, 2012). The Appendix II contains a more comprehensive explanation of these methodologies, which include balance sheet-based valuation, contingent claim valuation, and sum-of-the-parts valuation.

2.7 Choice of Valuation Methods

The selection of suitable valuation methods is contingent upon the objective of the analysis, the characteristics of the firm being valued, and the reliability and availability of information. The valuation literature underscores the fact that no single method is universally superior; rather, various approaches offer complementary perspectives on firm value (Damodaran, 2012).

The fundamental analytical framework of this investigation is discounted cash flow valuation. However, the Adjusted Present Value approach is the primary valuation method due to the structural change in Carlsberg's capital structure that occurred after the acquisition of Britvic in 2025. Leverage levels are significantly altered by the transaction, which undermines the validity of the constant target capital structure assumption that underpins a WACC-based DCF model. The explicit separation of financing effects from operating value enables APV to provide a transparent treatment of varying leverage and financing side effects (Luehrman, 1997). However, a WACC-based DCF valuation is performed as a complementary robustness check, assuming that the capital structure will stabilize after the transaction, and convergence will occur.

DCF valuation is supplemented by relative valuation, rather than serving as a replacement. Relative valuation provides a valuable reference point and functions as a reasonableness check for intrinsic value estimates by benchmarking valuation outcomes against market-based multiples of comparable firms. Nevertheless, relative valuation does not offer an independent evaluation of fundamental value, as it is influenced by current market prices.

As a result, the valuation methods that were selected represent a compromise between theoretical rigor and practical relevance. The crux of the analysis is discounted cash flow valuation, while complementary methods are employed to improve interpretability and robustness.

2.8 Limitations

Inherently, estimation uncertainty is introduced by the reliance on assumptions regarding future cash flows, growth, risk, and market conditions, despite the theoretical foundations of all valuation models. Valuation outcomes are particularly dependent on long-term projections and critical input parameters that are not directly observable and must be approximated using historical data or models.

Consequently, valuation results should be interpreted as informed approximations of intrinsic value, not as precise measures. This interpretation is contingent upon the underlying assumptions. The significance of methodological consistency and meticulous interpretation is underscored by the recognition of these limitations. Appendix III offers a comprehensive summary of the valuation methodologies that have been examined.

3. Strategic Analysis

This chapter evaluates Carlsberg A/S's competitive environment and strategic positioning to lay the groundwork for financial analysis and valuation. The strategic study concentrates on Carlsberg's business strategy, competitive positioning, key sources of competitive advantage, and the external industry environment, emphasizing long-term value creation.

Rather than providing a descriptive review, this chapter uses strategy and industrial organization frameworks to examine Carlsberg's performance, growth drivers, and risk profile. The industry- and firm-level analyses identify the lasting effects of key industry characteristics and strategic decisions on sales, profitability, and cash flow stability.

3.1 Industry Analysis

Carlsberg operates in the global beer and beverage business, which can be looked at in terms of structure and change. The goal is to find the most important factors in an industry that affect its competitiveness, profitability, and long-term growth in value. Understanding the industry environment is crucial because structural variables affect risk, growth, and pricing power for even well-positioned enterprises.

The analysis commences with an overview of the industry's structure and long-term dynamics, which is followed by a Porter's Five Forces assessment to evaluate the competitive intensity and attractiveness of the industry which can be found in Appendix IV.

3.1.1 Structure and Dynamics of the Global Beer Industry

The worldwide beer market is one of the largest sectors in the alcoholic beverages industry and continues to see steady yet robust nominal growth. Figure 2 demonstrates that global market revenues are projected to rise from roughly USD 839 billion in 2024 to an anticipated USD 1.2 trillion by 2031, indicating a compound annual growth rate of 5.52% during the forecast period (Grand View Research, 2025; Mordor Intelligence, 2025). Although estimates differ marginally dependent on methodology and time frame, all significant industry reports suggest ongoing expansion mostly fueled by premiumization, product innovation, and regional growth, rather than widespread gains in per-capita consumption (Research and Markets, 2025).

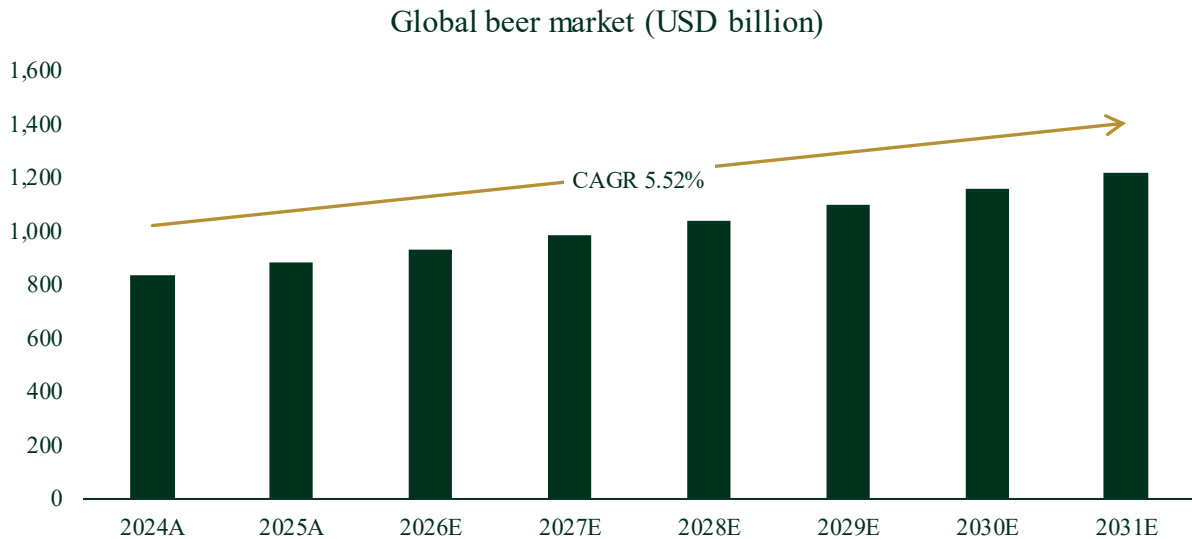


Figure 2: Global Beer Market

Source: Carlsberg Group, 2025; own analysis

The regional distribution of industry income underscores underlying disparities among marketplaces. Figure 3 illustrates that Europe represented roughly a third of global revenues in 2025, followed by Asia-Pacific and North America, while other areas contributed 16.0% (Fortune Business Insights, 2025; Mordor Intelligence, 2025).

Global market share 2025 (% of revenue)

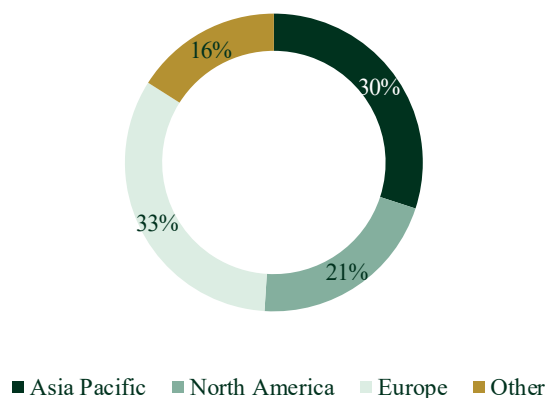


Figure 3: Global Market Share

Source: Carlsberg Group, 2025; own analysis

It becomes more apparent in Figure 4, which compares the anticipated regional CAGRs for 2025-2030. Europe and North America are anticipated to expand at approximately 6.4% in nominal terms, while Asia-Pacific is anticipated to grow at approximately 5.4%. Nevertheless, the expansion of mature Western markets is primarily driven by value and is contingent upon

the enhancement of the product mix, rather than volume growth (Mordor Intelligence, 2025; Grand View Research, 2025). Conversely, demographic tailwinds and the expansion of middle-class consumption patterns are advantageous to emerging Asian markets. Premium and non-/low-alcohol beer are anticipated to outpace standard beer growth (4.0%) at the category level, thereby reinforcing the structural shift toward higher-value segments (5.5% CAGR and 5.3% CAGR, respectively) (Mordor Intelligence, 2025). The comparative growth analysis incorporates the anticipated CAGR of the global soft drinks market (5.2%) to reflect the Group’s structurally broader category footprint, as a result of Carlsberg’s substantial increase in exposure to the soft drinks segment following the consolidation of Britvic in 2025 (Grand View Research, 2024).

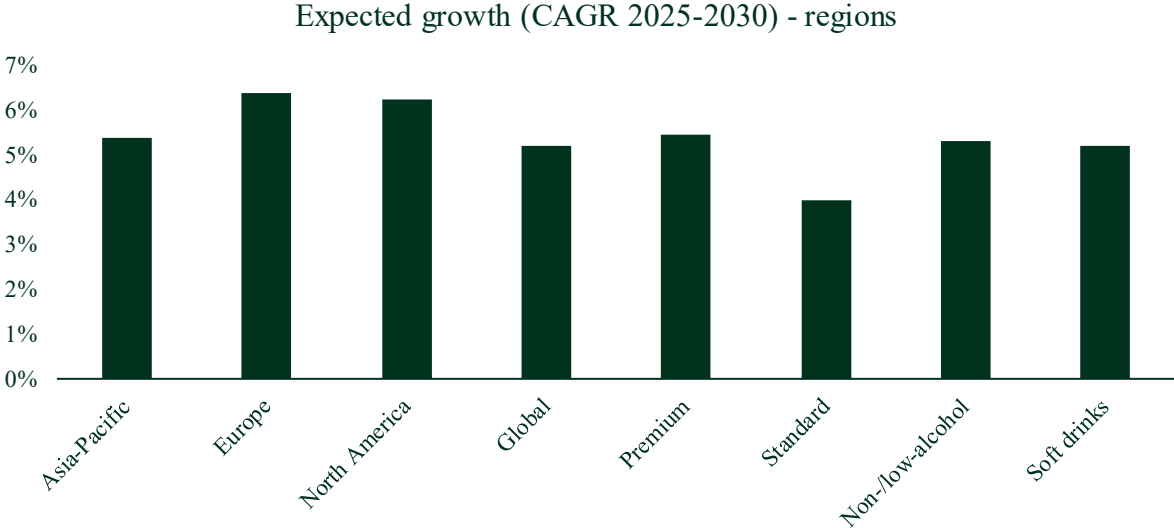


Figure 4: Equity Valuation Methods

Source: Carlsberg Group, 2025; own analysis

Table 1 summarizes the combination of identifiable growth drivers and constraints that influence industry development, in addition to structural growth patterns. Innovation in brewing technology and ingredients (+0.9-1.0%), the expansion of tourism and hospitality channels (+0.6%), and the increasing prevalence of premium and specialty offerings (+0.8%) are key growth accelerators on the demand side. The potential for long-term value creation is further enhanced by technological advancements and sustainability initiatives, which improve operational efficiency and brand differentiation (Grand View Research, 2025; Mordor Intelligence, 2025).

| Driver/Restraint | % Impact on CAGR | Geographic Relevance | Impact Timeline |
|--|------------------|---|-------------------------|
| Rising brewery density contributing to stronger premium segment penetration | +0.8% | North America, Europe, Australia | Medium term (2–4 years) |
| Expansion of tourism and hospitality activities supporting beer consumption growth | +0.60% | Europe, Middle East, Asia-Pacific tourism hubs | Short term (≤ 2 years) |
| Innovation in ingredients brewing techniques and alcohol content formulation | +0.90% | Global, with early adoption in North America and Europe | Medium term (2–4 years) |
| Increasing health awareness driving demand for gluten free beer alternatives | +0.40% | North America, Europe, Australia | Long term (≥ 4 years) |
| Growing emphasis on sustainable and responsible brewing practices | +0.70% | Global, with leadership from Europe and North America | Long term (≥ 4 years) |
| Technological advancements enhancing efficiency and product development in brewing | +1.0% | Global, with early adoption in developed markets | Medium term (2–4 years) |
| Tightening regulatory frameworks affecting alcohol production and distribution | -0.60% | Global, with significant impact in Europe and North America | Medium term (2–4 years) |
| Moderation and wellness trends reducing overall beer consumption levels | -0.30% | Global, especially Europe and North America | Long term (≥ 4 years) |
| Volatility in raw material costs and supply chain disruptions impacting production | -0.90% | Global, varying intensity across regions | Medium term (2–4 years) |
| Cultural and religious limitations constraining market expansion | -0.40% | Middle East, North Africa, parts of Asia | Long term (≥ 4 years) |

Table 1: Industry Growth Driver & Constraints

Source: Mordor Intelligence, 2025

In contrast, the expansion of profitability across the industry is limited by a number of structural constraints. It is anticipated that regulatory tightening, which includes excise reforms and marketing restrictions, will reduce forecast growth by approximately 0.6%. The most significant negative factor (-0.9%) is the volatility of raw material costs and disruptions in the supply chain, which are indicative of climate-related agricultural risks and inflation in packaging. Furthermore, the demand for beer is moderated by health-conscious consumption trends and cultural constraints in specific regions (Mordor Intelligence, 2025; Fortune Business Insights, 2025).

Overall, the global beer industry shows moderate structural development, with a growing focus on regional differences, innovation, and premiumization. Instead of expanding aggregate volume, value is gradually created through optimizing the product mix, improving technological efficiency, and selecting optimal geographic locations. These structural characteristics define the competitive environment in which producers like Carlsberg operate and serve as the foundation for subsequent strategic and financial analyses.

3.1.2 Implications for Industry Profitability

The global beverages industry's structural characteristics suggest that it will have moderate long-term profitability. Established brewers are safeguarded from new entrants by high entry barriers, strong brand loyalty, and substantial capital requirements. Nevertheless, the expansion of margins is restricted by the intense competition among multinational actors, substitution pressures, and the bargaining power of retailers.

In mature markets, competition is redirected toward market share gains and mix optimization rather than demand expansion due to limited volume growth. Subsequently, profitability is contingent upon brand differentiation and pricing discipline. The portfolio diversification into adjacent beverage categories mitigates substitution risk and strengthens brand equity, while the premiumization trend and growth in non- and low-alcohol segments provide partial margin support.

In general, the brewing industry's long-term profits depend more on how well individual companies do than on how fast the market as a whole is growing. The ability to keep pricing power, allocate capital wisely, and manage costs in a structurally mature environment is what ultimately determines long-term performance.

3.2 Business Model and Value Creation

Carlsberg A/S, which was established in 1847, has since transformed from a Danish brewery into one of the world's most prominent brewing organizations. The company has consistently prioritized long-term value creation since its inception, with an emphasis on brewing quality and scientific innovation (Woodward et al., 2009; Carlsberg Group, 2024).

Carlsberg's brand-led and manufacturing-focused business model, which continues to define its strategic priorities and governance structure today, has been further honed by international expansion through organic growth, partnerships, and acquisitions.

3.2.1 Business Model Overview

Carlsberg A/S is a beverage group that operates as an integrated entity with a geographically diverse presence. Despite its historical position as a brewer, the company has structurally expanded into adjacent categories, such as soft drinks, alcohol-free products, and designated Beyond Beer segments, resulting in a more resilient and broader portfolio (Carlsberg Group, 2025).

The Group’s value creation logic is based on the pursuit of dominant market positions in specific core regions, rather than the pursuit of global scale for its own sake. Regional leadership facilitates economies of scale in procurement, production, marketing, and distribution, while simultaneously preserving the ability to adjust to local consumer preferences and regulatory conditions.

Carlsberg conducts operations throughout the entire value chain, including production, procurement, and distribution in both on-trade and off-trade channels. This vertically integrated model facilitates quality control, brand execution, and cost efficiency. The consolidation of Britvic in January 2025 has bolstered the portfolio’s resilience by increasing the proportion of soft beverages in total volumes, thereby reducing reliance on traditional beer categories.

Carlsberg continues to operate within its Accelerate SAIL framework, as illustrated in Figure 5, in terms of strategy. The Accelerate SAIL framework clearly defines portfolio priorities, execution discipline, and geographic focus.



Figure 5: Accelerate SAIL

Source: Carlsberg Group, 2025

The 2025 reporting period marks a major change in Carlsberg’s category exposure, as soft drinks now make up a much larger share of total volumes. This diversification improves the portfolio mix by expanding the range of consumption occasions and decreasing its dependence on traditional beverage categories.

From a valuation perspective, long-term cash flows are primarily influenced by pricing power, portfolio mix optimization, and disciplined cost management rather than aggregate volume growth. While diversification enhances stability, acquisition-driven expansion increases financial leverage. Therefore, prudent capital structure management is necessary to safeguard balance sheet resilience.

3.2.2 Ownership Structure and Strategic Control

Carlsberg A/S is governed by a dual-class share structure that comprises A and B shares. These shares are economically aligned but differ in their voting rights. Each A share is entitled to 20 votes, while each B share is entitled to 2 votes, thereby establishing a distinction between capital ownership and voting control (Carlsberg Group, 2025).

The Carlsberg Foundation is able to maintain effective control while holding a minority of the economic capital as a result of this structure. As of 2025, the Foundation holds approximately 78% of the voting rights and approximately 30% of the total share capital. The Foundation is required to maintain a minimum of 51% of voting rights in accordance with its charter, which guarantees long-term strategic control that is not influenced by capital market dynamics (Carlsberg Group, 2025). The ownership structure that results is depicted in Figure 6.

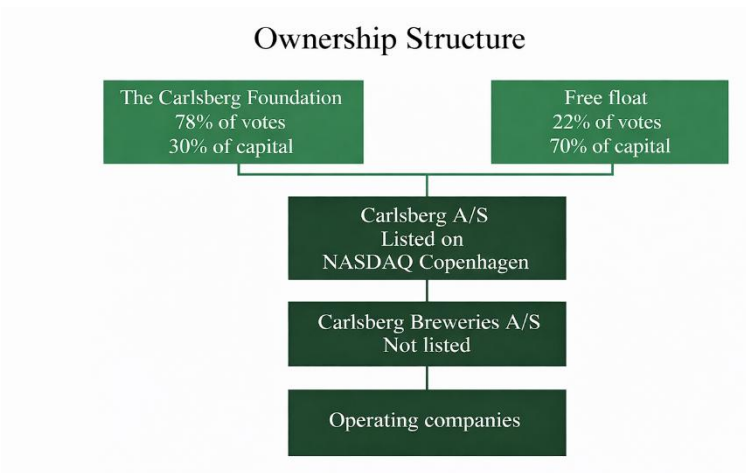


Figure 6: Ownership Structure

Source: Carlsberg Group, 2025

This governance arrangement promotes strategic continuity and long-term decision-making by mitigating short-term market pressures and takeover risk from a strategic perspective. Simultaneously, market discipline is preserved by the extensive institutional ownership and substantial free float. The structure is based on the assumption of stable strategic execution and relatively low governance-related uncertainty for valuation purposes, albeit with limited takeover optionality.

3.2.3 Brand Portfolio

In a global beverage industry that is both mature and fiercely competitive, Carlsberg’s brand portfolio is a critical strategic asset. The Group’s operational scope and brand breadth are reflected in the fact that it employs approximately 37,000 individuals and manages 180 brands (Carlsberg Group, 2025). The portfolio is primarily composed of a small number of international premium brands, which are complemented by robust regional and local brands that bolster market leadership in critical geographies.

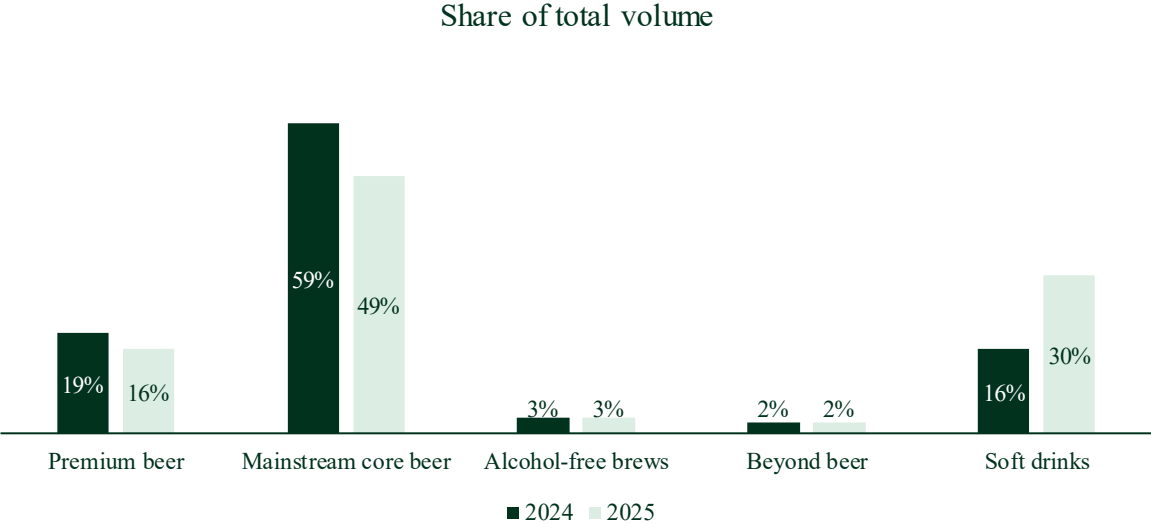


Figure 7: Share of total volume

Source: Carlsberg Group, 2025; own analysis

The largest category is still mainstream core beer, as demonstrated in Figure 7, despite the fact that its relative importance decreased in 2025 as a result of the consolidation of Britvic. A structural shift toward increased portfolio diversification is evident in the fact that soft drinks now comprise approximately 30.0% of total volumes. Figure 8 emphasizes that premium beer, alcohol-free beverages, and soft drinks are experiencing a growing concentration of growth, while mainstream beer volumes are experiencing structural pressure in mature markets.

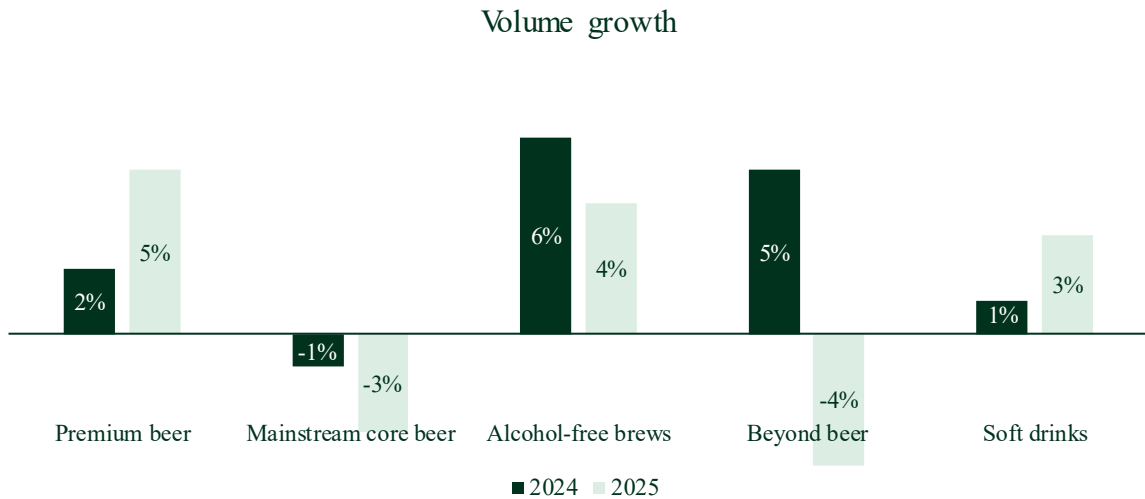


Figure 8: Volume growth

Source: Carlsberg Group, 2025; own analysis

The geographic breadth and brand architecture supporting this portfolio are illustrated in Figure 9 (Carlsberg Group, 2025).

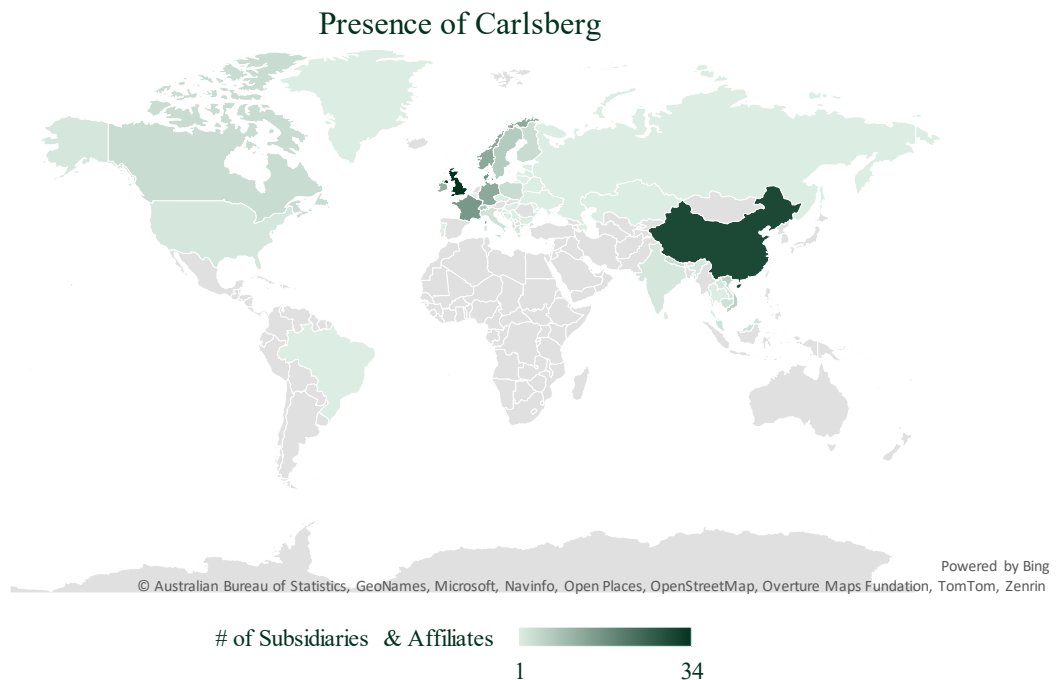


Figure 9: Global presence of Carlsberg

Source: LSEG Workspace, 2026

Carlsberg’s ability to set prices and maintain its position is generally aided by its portfolio of global premium brands, robust local franchises and expanding product range. This changing

balance is consistent with the expectation of moderate but long-term growth and stable margin development from a valuation perspective.

3.2.4 Market and Geographic Exposure

Carlsberg A/S maintains a geographically diverse business portfolio that encompasses direct operations and partnerships in more than 125 markets worldwide. In markets where Carlsberg does not operate its own breweries, the Group achieves additional geographic reach through its Export & License model. The Group’s primary operating footprint is concentrated in Western Europe, Asia, and Central & Eastern Europe and India (CEEI). This structure facilitates a comprehensive international presence while maintaining a balance between operational control, capital intensity, and risk exposure (Carlsberg Group, 2025).

Figure 10 illustrates the regional contribution to the group’s operating profit, revenue, and volume in 2025.

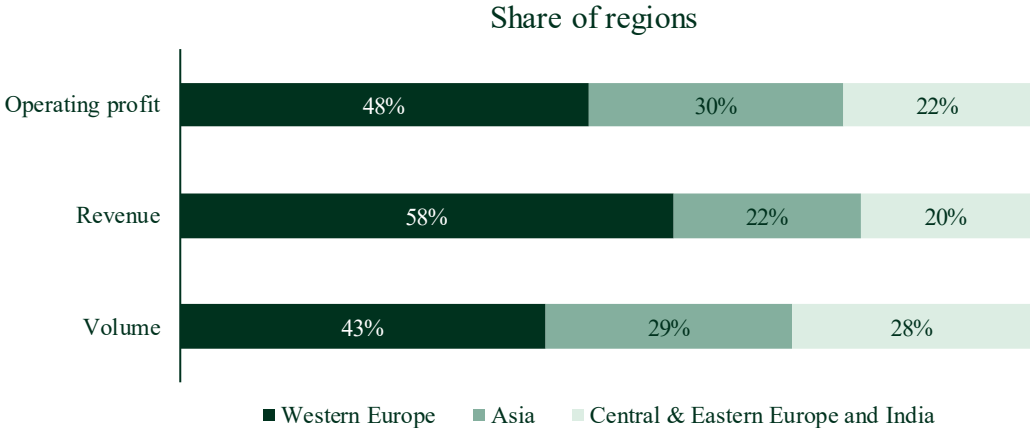


Figure 10: Share of regions

Source: Carlsberg Group, 2025

Appendix V contains a more comprehensive analysis and dissection of the regional segments.

3.3 Competitive Positioning

This section will examine Carlsberg’s competitive stance in the global brewing sector based on its business model, brand portfolio, and regional exposure. The study assesses Carlsberg’s position relative to its main worldwide competitors to determine if it generates long-term competitive advantages. This study goes beyond firm-specific disclosures to provide an objective competitive assessment using strategy frameworks and external industry sources.

3.3.1 Strategic Positioning within the Industry

Carlsberg is part of a highly consolidated worldwide brewing business with scale economies, intense competitiveness among a few multinationals, and great brand distinction. According to Porter's generic strategies framework, the Group prioritizes value growth over global volume leadership in this environment (Porter, 1980; Porter, 1985).

Instead of cost leadership, Carlsberg uses brand strength, premiumization, and portfolio mix optimization to sustain pricing power and margin resilience. Premium and super-premium sectors in mature economies, with higher revenue per unit and lower price sensitivity, support the Group's value over volume strategy (Euromonitor International, 2024).

Meanwhile, Carlsberg avoids specialized positioning. Its range includes mainstream and premium beer, soft drinks, alcohol-free variations, and Beyond Beer, allowing for involvement in a variety of price points and consumption occasions. This broad exposure to structurally rising areas includes scale benefits in core beer, indicating a balanced development profile (World Economic Forum and McKinsey, 2025).

Carlsberg's positioning is an intentional compromise: strategic flexibility, regional relevance, and sustained value growth for a limited global scope. This supports valuation assumptions of durable margins and moderate but sustainable long-term growth.

3.3.2 Competitive Landscape and Peer Comparison

AB InBev, Heineken, and Carlsberg dominate the worldwide brewing business (Euromonitor International, 2024). Despite sharing an industry structure, their strategic profiles range in scale, geographic exposure, and risk orientation. Detailed competitor information is in Appendix VI.

Unmatched scale, global brand consistency, and procurement efficiencies allow global volume leader AB InBev to optimize margins cost-effectively. This scale-driven paradigm improves efficiency but increases sensitivity to volume stagnation in mature markets and difficult global integration execution concerns (Musonera, 2024).

Heineken's premium strategy is globally diversified and heavily invested in growing areas like Africa and Latin America. This posture boosts growth but increases political, currency, and regulatory volatility (Euromonitor International, 2024).

Carlsberg is middle-ground. Its regional, brand-driven approach differs from AB InBev's scale leadership. Compared to Heineken, it focuses on Europe and selected Asian areas. Lower

exposure to high-growth, high-risk regions supports consistent earnings but limits potential from faster-growing emerging economies.

Carlsberg's portfolio of international premium brands and strong local brands boosts regional relevance and pricing power, especially in mature areas where local brand equity is crucial (Euromonitor International, 2024).

Carlsberg deliberately balances growth and risk in its competitive position. This supports value assumptions of consistent cash flows and stable margins compared to globally diversified peers.

3.3.3 Sources of Competitive Advantage

The resource-based view holds that Carlsberg's competitive advantages come from firm-specific resources and competencies (Barney, 1991; Grant, 2020). Long-term value development depends on the Group's brand equity, distribution capabilities, portfolio breadth, and rigorous execution, not industry structure.

Brand equity is the main intangible. Carlsberg, Tuborg, and 1664 Blanc support price power and lower demand elasticity in mature markets. Strong local brands in core European and Asian countries boost consumer relevance and distribution access, strengthening competitive positioning (Euromonitor International, 2024).

Second, Carlsberg has route-to-market advantages. Its integrated operating model - owned operations, partnerships, and Export & License - enables broad geographic reach and capital discipline. Scale-localization balance improves execution and reduces negative risk in peripheral markets.

Portfolio diversification boosts strategy. Premium beer, alcohol-free goods, and soft drinks diminish traditional beer volumes and match the Group with structurally expanding categories (World Economic Forum and McKinsey, 2025). Diversification reduces substitution and regulatory risk and expands demand.

Carlsberg prioritizes financial stability and brand investment over volume expansion with its value-oriented strategy. These skills enable a business to set sustainable prices and generate predictable cash flow. This is because the business is structurally mature and competitive, and its ownership structure ensures consistency of strategy.

3.4 Strategic Implications for Long-Term Performance

The above analysis shows Carlsberg's most important assets and the trade-offs it must make in the highly competitive global beer and beverage market. Appendix VII contains a detailed SWOT matrix.

Carlsberg's primary assets are its disciplined value-oriented operating model, strong regional market positions, and diversified, brand-driven portfolio. The 2025 expansion into soft drinks will increase category exposure, decrease dependence on traditional beer volumes, and improve revenue stability. Despite a limited industry-wide volume expansion, value growth is supported by premiumization, alcohol-free offerings, and selective growth in structurally attractive segments.

Simultaneously, Carlsberg maintains a comparatively concentrated geographic footprint and operates on a smaller global scale than the industry leader. While acquisition-driven growth enhances strategic positioning, it also increases the complexity of integration and leverage. Mature market stagnation, competitive intensity, regulatory pressure, and macroeconomic volatility continue to influence long-term performance.

In general, Carlsberg's strategic profile indicates that the company is more likely to generate relatively stable cash flow, maintain resilient margins, and experience moderate growth than to engage in aggressive expansion. Pricing power, prudent balance sheet management, disciplined capital allocation, and portfolio mix optimization are all essential components of sustainable value creation. These attributes serve as the strategic foundation for the subsequent financial analysis, which does not assume specific valuation outcomes.

4. Financial Analysis and Forecasting

This chapter evaluates Carlsberg A/S's historical financial performance and develops the quantitative assumptions for the valuation's forward-looking estimates. The historical period identifies structural trends and normalizes performance levels, while the explicit forecasting period from 2026 to 2031 shows key financial drivers gradually converge toward sustainable long-term levels in the terminal period (Plenborg & Kinserdal, 2021).

Due to a lack of reliable future transaction data, the prediction excludes subsequent acquisitions. Thus, expected growth reflects Britvic's organic expansion and operational integration rather than speculative foreign growth.

Building on the strategic analysis, the financial assessment focuses on the primary value drivers embedded in the income statement and balance sheet. The resulting forecast forms the basis for the subsequent valuation.

4.1 Income Statement

This section examines the historical income statement progression of Carlsberg and extracts the principal quantitative assumptions that inform the prediction. The emphasis is on the key factors influencing revenue growth, cost structure, and operational performance that dictate the anticipated earnings.

4.1.1 Revenue

Carlsberg's revenue growth over the historical period is characterized by moderate structural growth and portfolio-driven expansion, as illustrated in Figure 11. The global beer industry's mature characteristics were consistent with a steady increase in revenue at low single-digit rates between 2016 and 2019. The transient decline in 2020 is indicative of pandemic-related disruptions, while the subsequent recovery from 2021 onward was fueled by pricing initiatives, premiumization, and improved market conditions. The substantial increase in 2025 is predominantly due to the consolidation of Britvic, which has structurally expanded the Group's exposure to soft drinks and materially increased the revenue base of Western Europe.

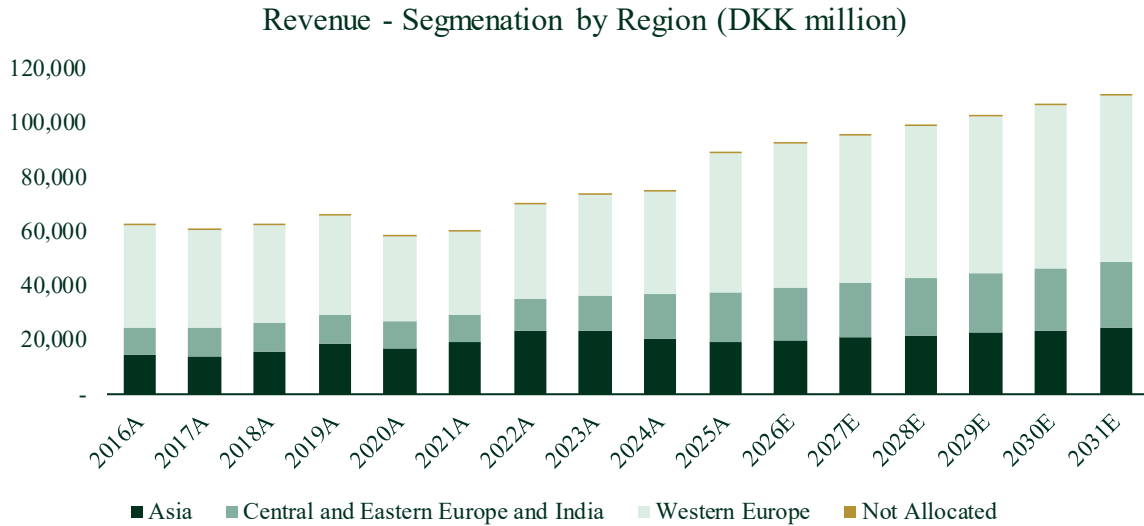


Figure 11: Revenue – Segmentation by Region

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Revenue is forecasted on a regional premise rather than at the group level, as Carlsberg is exposed to various regional markets. The growth of Western Europe, CEEI, and Asia is significantly influenced by their respective market maturity, competitive intensity, and macroeconomic conditions, as detailed in the industry analysis.

Carlsberg has historically experienced substantial volume growth in Asia and has made a robust recovery from the pandemic-related decline that occurred in 2020. The main reason for the drop in revenue in 2023 and 2024 is China’s weak macroeconomy. This includes low consumer confidence, increased competition in the mainstream market and the impact of the economy returning to normal following the pandemic.

Urbanization, increasing disposable incomes, and premiumization trends are anticipated to drive the broader Asian beer market to expand at a CAGR of 5.4%, as previously mentioned in the strategic analysis. Nevertheless, Carlsberg’s regional exposure is disproportionately concentrated in China, where growth is anticipated to remain below the broader Asia-Pacific average. As a result, a more prudent revenue CAGR of 4.0% is assumed for the period 2026-2031.

Other beverages have been the primary growth driver, even though beer remains the dominant revenue source in the region. Management stresses that improvements in brand balance, channels and pricing strategies are important factors in value growth. Beer sales are expected to rise by around 3.0% each year, demonstrating the competitiveness of the mainstream

segment. In contrast, other drinks are expected to grow by around 6.0%, primarily due to soft drinks and non-alcoholic beverages. The category classification is more detailed in Figure 12.

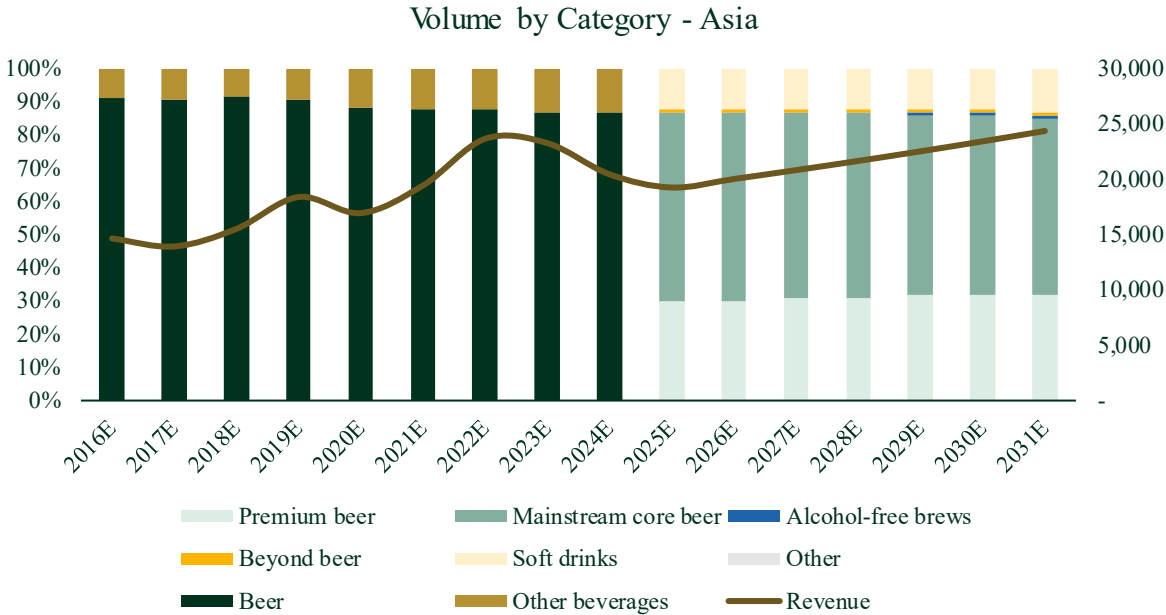


Figure 12: Volume by Category – Asia

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Following Russia’s invasion of Ukraine and the ensuing divestment of its Russian operations, Carlsberg encountered substantial disruptions in the CEEI market. Nevertheless, the region experienced robust development from 2022 to 2025, which more than compensated for Ukraine’s decline. In 2025, revenue increased by 20.4%, primarily due to a favorable portfolio composition and price adjustments across sub-markets (Carlsberg Group, 2025).

The strategic analysis outlines that the CEEI region offers structurally attractive growth characteristics, including sustained premiumization trends, in addition to geopolitical uncertainty. Nevertheless, future development is projected with caution due to persistent political risk and macroeconomic volatility.

Therefore, it is anticipated that revenue in CEEI will increase at a CAGR of 5.0% during the forecast period, which is lower than the broader industry expectations. Other beverages are anticipated to expand at a rate of 7.0% annually at the category level, supported by innovation and trading-up effects, while beer revenues are expected to increase by approximately 4.0%. Figure 13 illustrates this combination development in greater detail.

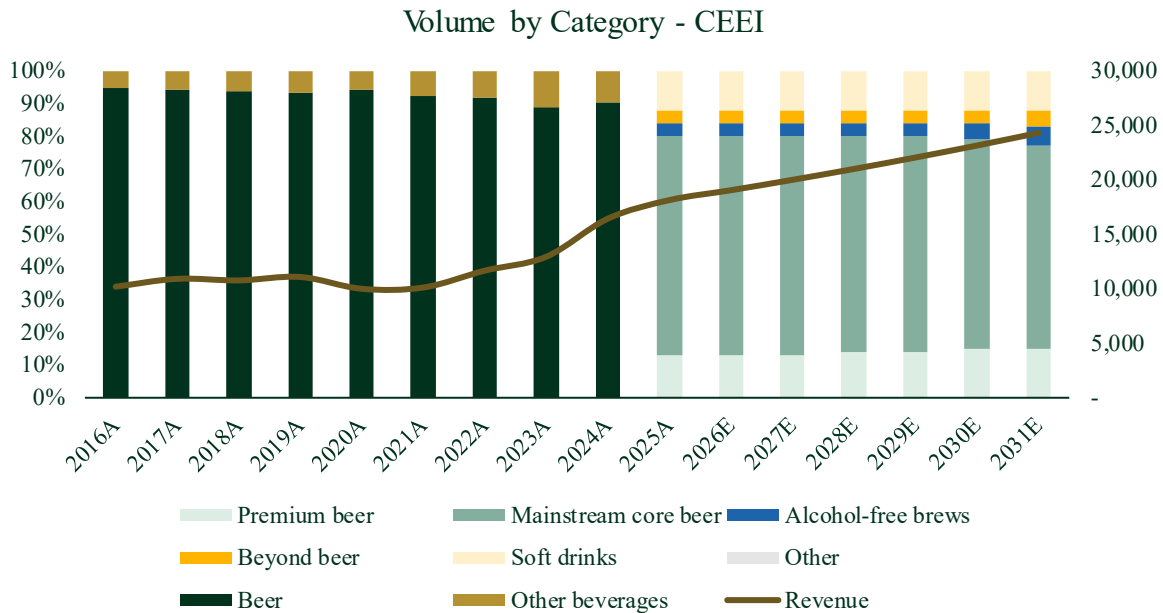


Figure 13: Volume by Category – CEEI

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Revenue growth in Western Europe is expected to remain moderate during the forecast period. The beer market in the region is structurally mature, characterized by a high level of competitive intensity and limited growth in per capita consumption. Although the consolidation of Britvic and the post-pandemic recovery effects have increased historical development, these factors do not indicate a sustainable long-term growth rate. Nevertheless, Western Europe continues to serve as the Group’s primary source of revenue.

Pricing and portfolio diversification are the primary drivers of future development, rather than structural volume expansion. Particularly, the region is experiencing an increase in the popularity of alternative beverage categories, such as specialty products and alcohol-free options. Nonetheless the forecast accounts for the anticipated constraints on underlying volume growth, including the impact of marketing restrictions, tightening alcohol regulations, and a mature consumption environment. As a result, a conservative revenue CAGR of 3.0% is projected for the period 2026-2031.

In the category level, other beverages are anticipated to expand at a rate of 4.0% annually, bolstered by innovation and changing consumer preferences. Traditional beer categories are anticipated to expand at a rate of 0.5%, which is consistent with regional market growth. This mix development suggests a progressive increase in value that does not rely on aggressive volume assumptions. Figure 14 illustrates a comprehensive breakdown by category.

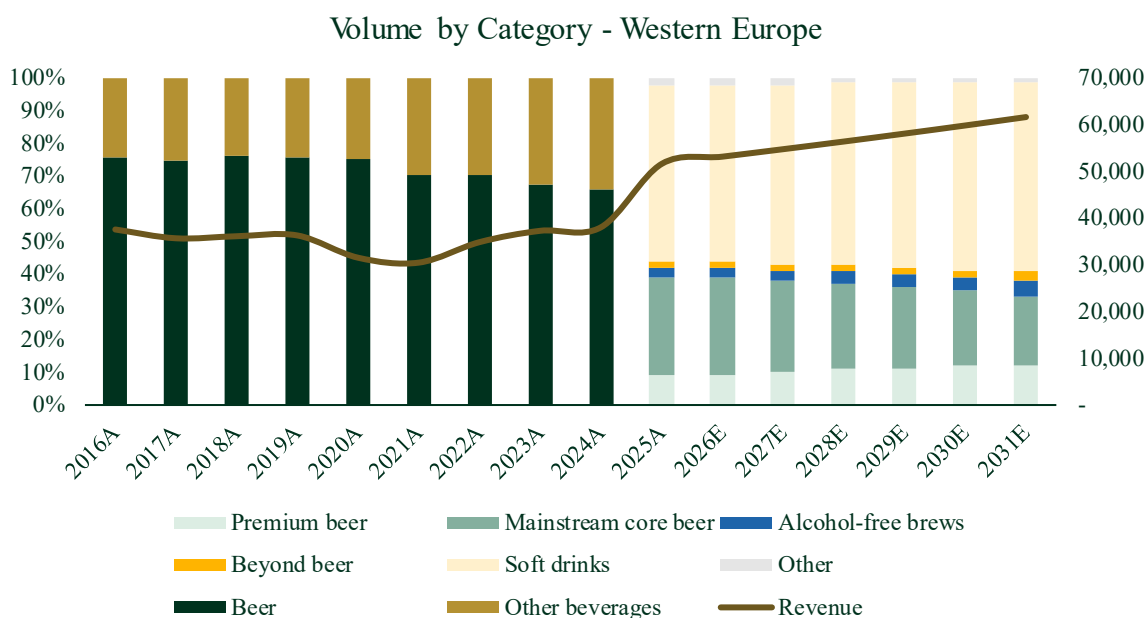


Figure 14: Volume by Category – Western Europe

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

The weighted average of the regional forecasts is used to calculate group-level revenue growth, which considers the respective product and channel mix developments within each segment. Carlsberg’s revenue is anticipated to increase by 3.6% during the forecast period, as indicated by these assumptions.

In the terminal period, a more conservative long-term presumption is implemented due to the sensitivity of consumer demand to macroeconomic conditions, regulatory developments, and geopolitical uncertainty. Consequently, the terminal growth rate is established at 1.2% to mitigate the risk of cyclical overestimation and reflect the maturity of the structural industry.

In general, Carlsberg’s revenue profile suggests that the company is experiencing moderate and primarily value-driven growth, which is being facilitated by pricing discipline, mix optimization, and selective regional expansion. Revenue growth is anticipated to progressively converge toward sustainable low single-digit levels over the long term, in accordance with the strategic analysis. Appendix VIII contains the comprehensive revenue build-up, which encompasses projections at the regional and category levels.

4.1.2 Cost of Sales

Historically, the cost of sales accounted for 50-55% of total revenue, which is indicative of the brewing industry’s vertically integrated production model and raw material intensity. The ratio increased steadily from 2018 to 2023, as illustrated in Figure 15. This development is primarily

due to the increased costs of inputs, because of the pandemic. Furthermore, the absolute cost base was influenced by price adjustments and robust organic growth during this period.

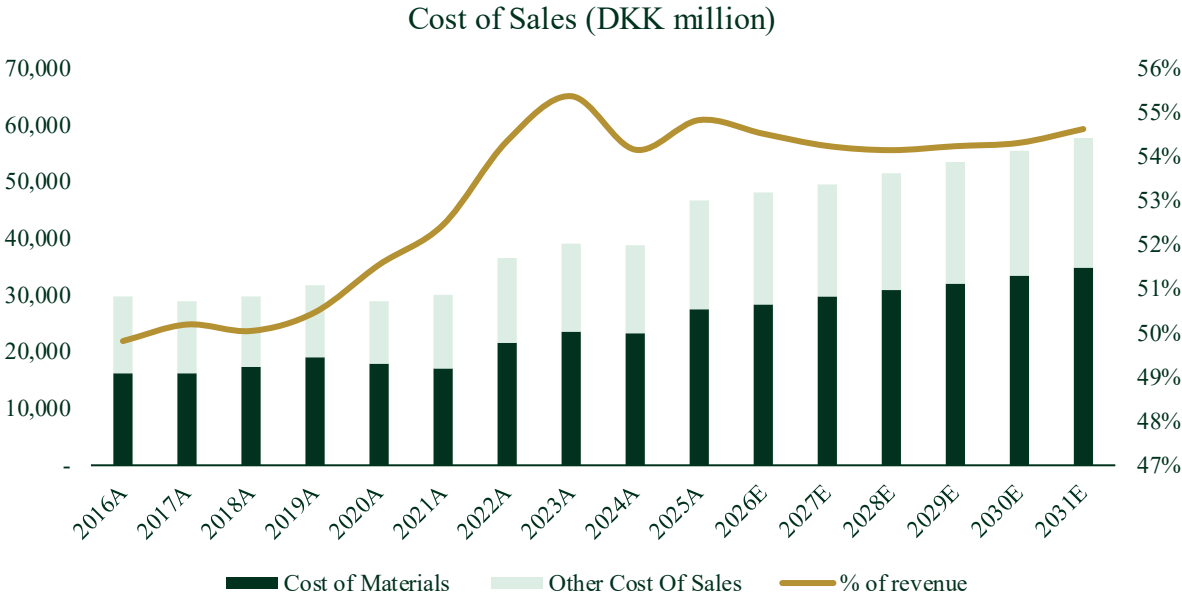


Figure 15: Cost of Sales

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix IX contains an analysis of cost components and the corresponding forecast.

Carlsberg’s 2025 Annual Report indicates that commodity and energy price pressures have begun to stabilize subsequent to the inflationary apex. Consequently, the forecast anticipates a progressive normalization of material cost levels in relation to revenue. The industry analysis has identified that structural raw material cost pressures remain present, even though commodity markets have shown increasing stabilization and Carlsberg’s hedging strategies to mitigate short-term volatility. As a result, the cost of materials is expected to remain in close proximity to 2025 levels in the immediate future, with a gradual increase from 2028 onward.

The consolidation and integration of Britvic resulted in a temporary increase in personnel costs in 2025. The forecast is predicated on the progressive absorption of integration-related inefficiencies as operational structures are optimized and synergies are achieved. Consequently, it is anticipated that staff costs will experience a slight decrease in their proportion of revenue and then stabilize, which is indicative of efficiency improvements and scale effects.

The same dynamic is applicable to other cost of sales, such as production overhead, distribution, and logistics expenses. Although these costs increased during the inflationary period and portfolio expansion phase, it is anticipated that improved operational discipline and supply

chain optimization will restrict further structural increases. During the forecast period, it is expected that these costs will change in line with revenue.

Generally, high-cost ratios seen after the pandemic are mostly cyclical. The short-term forecast predicts a partial return to normal, followed by a slow rise in 2028 due to ongoing exposure to changes in raw material prices. This means that gross margins will increase temporarily during the first few years of the forecast, after which they will stabilize under moderate structural cost pressure.

4.1.3 Operating Expenses

As illustrated in Figure 16, operating expenses are predominantly composed of administrative expenses, sales and distribution expenses, and other operating activities. Carlsberg’s brand-driven strategy and extensive geographic reach have resulted in inherently significant operating expenses throughout the historical period.

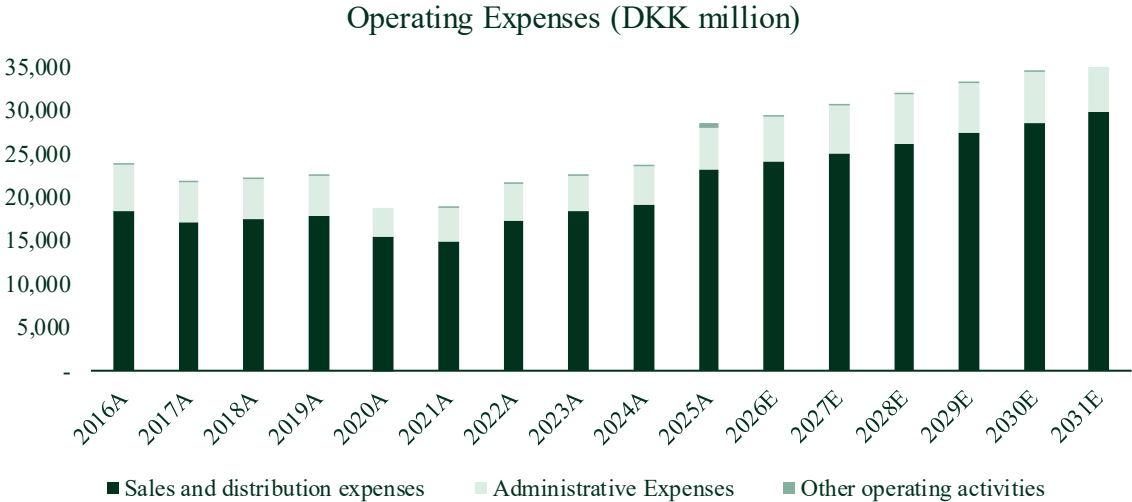


Figure 16: Operating Expenses

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

A detailed breakdown and the underlying forecast assumptions are provided in Appendix X.

In 2022, sales and distribution expenses decreased from 27.1% of net revenue in 2019 to 24.7%. This decline was partially attributed to the implementation of stringent cost control measures during the COVID-19 pandemic, but it also reflects a more robust increase in net revenue in comparison to commercial expenditure (Carlsberg Group, 2020). In its 2025 Annual Report, Carlsberg asserts that marketing activities have resumed their pre-pandemic levels, suggesting that commercial investments are inherently higher than they were during the temporary cost

containment phase (Carlsberg Group, 2025). Furthermore, distribution expenses are elevated as volumes increase. Consequently, it is anticipated that sales and distribution expenses will increase by 0.2% annually as a percentage of revenue during the forecast period. This indicates that sales volume is growing at a moderate rate and marketing intensity has returned to normal levels.

The main reasons administrative costs as a percentage of revenue decreased slightly over the historical period were the temporary cost controls implemented in 2020 and the strong revenue growth experienced in 2022. Business operating costs are expected to increase slightly in 2026 due to the ongoing costs of integrating Britvic. After that, efficiency gains and integration synergies are expected to cause the expense ratio to drop by 0.5% each year.

Although other operating activities only brought in a small amount of revenue, that number grew to 0.6% in 2025, primarily due to the effects of the integration. These items encompass rental income and expenses, on-trade loans, research-related activities, and gains or losses from asset disposals. The forecast implies a normalization toward pre-integration levels of approximately 0.2% of net revenue, as these are not core operating activities.

4.1.4. Profitability and Margin Development

The evolution of EBITDA and the corresponding EBITDA margin over the historical and forecast period is depicted in Figure 17. In the past, profitability has been characterized by cyclical fluctuations that are predominantly caused by temporary disruptions and fluctuations in input costs. Margin pressure during the post-pandemic inflationary period was followed by a gradual recovery of EBITDA margins, which reached 21.1% in 2025.

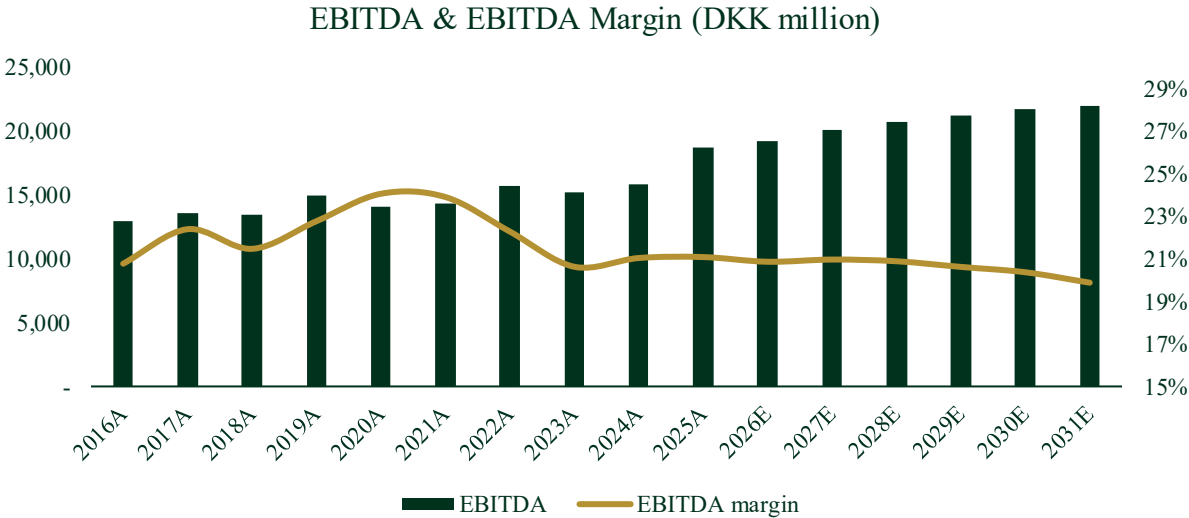


Figure 17: EBITDA & EBITDA Margin

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

The EBITDA margin is expected to converge to 19.9% by 2031, while EBITDA is expected to increase consistently in absolute terms in conjunction with revenue expansion. The moderate margin compression over the forecast horizon is predominantly due to structural cost pressures, rather than operational deterioration. The brewing industry is still susceptible to raw material price volatility, expanding sustainability requirements, and constricting regulatory frameworks, as delineated in the industry analysis. These factors all restrict the expansion of long-term margins. Additionally, the transient cost efficiencies that were observed in previous years are diminished by the normalization of marketing intensity and distribution expenses in the wake of the pandemic. Although pricing discipline and portfolio premiumization continue to bolster earnings, these effects are partially counterbalanced by competitive pressure and persistent input cost exposure in mature markets. As a result, long-term profitability stabilizes at sustainable but structurally constrained levels.

The structurally stable component of the cost base is represented by depreciation and amortization, which are illustrated separately for PPE and intangible assets in Figure 18. The capital-intensive nature of brewing operations is reflected in the fact that the majority of D&A is comprised of depreciation related to PPE. The amortization of intangible assets experiences a moderate increase subsequent to the expansion of the portfolio, but it eventually stabilizes over the forecast horizon. Significantly, the projected CapEx closely correspond to depreciation levels, suggesting that the reinvestment intensity is stable rather than expansionary overinvestment. This relationship confirms the notion that the anticipated EBIT growth is indicative of sustainable operating performance, rather than margin expansion driven by underinvestment.

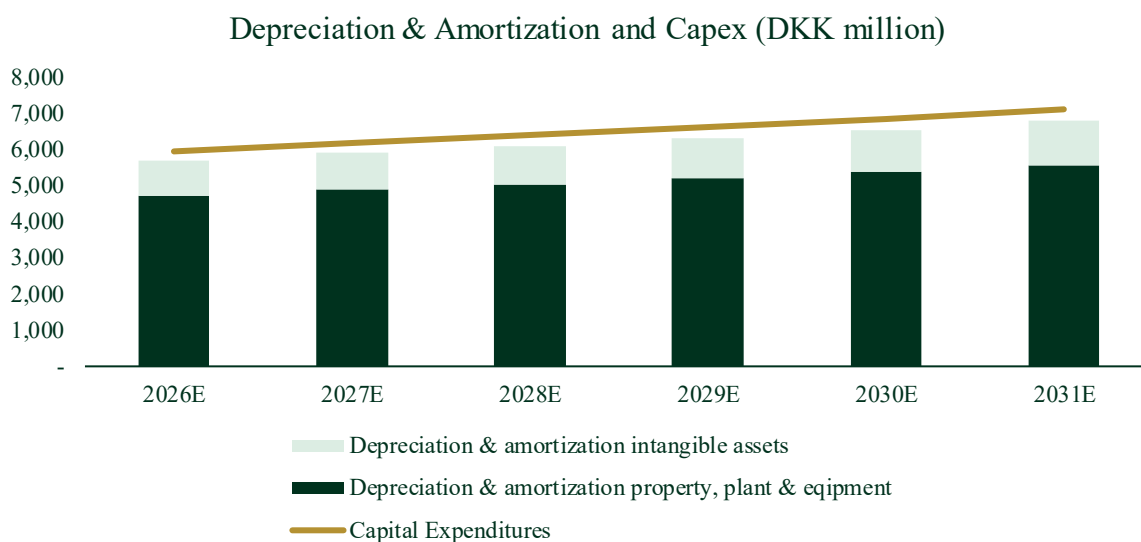


Figure 18: Depreciation & Amortization and CapEx

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

A detailed reconciliation of D&A is provided in Appendix XI.

Operating profit before special items is projected to increase steadily from DKK 13.5bn in 2026 to DKK 15.1bn in 2031 as shown in Table 2. The corresponding EBIT margin moves in line with the EBITDA margin toward 13.7% in 2031, reflecting stable operating performance rather than margin expansion.

| DKK million | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue | 92,323 | 95,674 | 99,153 | 102,765 | 106,514 | 110,407 |
| Cost of sales | (50,343) | (51,905) | (53,698) | (55,746) | (57,861) | (60,322) |
| Gross profit | 41,980 | 43,770 | 45,456 | 47,019 | 48,653 | 50,085 |
| Sales and distribution expenses | (24,068) | (25,133) | (26,245) | (27,406) | (28,619) | (29,886) |
| Administrative expenses | (5,250) | (5,409) | (5,573) | (5,743) | (5,918) | (6,100) |
| Other operating activities | 145 | 151 | 156 | 162 | 168 | 174 |
| Share of profit after tax of associates | 728 | 754 | 782 | 810 | 840 | 871 |
| EBITDA | 19,261 | 20,060 | 20,710 | 21,191 | 21,695 | 21,947 |
| Depreciation & amortization | (5,726) | (5,927) | (6,134) | (6,349) | (6,572) | (6,803) |
| Operating profit before special items | 13,535 | 14,133 | 14,576 | 14,842 | 15,123 | 15,143 |

| DKK million | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---------------------|-------|-------|-------|-------|-------|-------|
| Gross profit margin | 45.5% | 45.7% | 45.8% | 45.8% | 45.7% | 45.4% |
| EBITDA margin | 20.9% | 21.0% | 20.9% | 20.6% | 20.4% | 19.9% |
| EBIT margin | 14.7% | 14.8% | 14.7% | 14.4% | 14.2% | 13.7% |

Table 2: Operating Profitability & Margins

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Although absolute earnings development is facilitated by revenue growth, long-term margin progression is limited by persistent raw material exposure, normalized commercial expenditure, and competitive pressures in mature markets. Under structurally moderate industry conditions, the projected EBIT development therefore represents sustainable earnings generation.

4.2 Balance Sheet

This section analyzes Carlsberg’s balance sheet with an emphasis on financial structure, investment intensity, and working capital. The balance sheet is responsible for determining the capital necessary to support growth and generate free cash flow, whereas the income statement is for capturing operating performance.

4.2.1 Operating Working Capital

Figure 19 illustrates that inventories and trade receivables comprise primary operating current assets. Historically, inventories have increased during the post-pandemic period, which is indicative of supply chain disruptions and precautionary stock building. This development is also evident in the rise in days inventory outstanding (DIO), which reached a zenith that exceeded pre-pandemic levels. DIO stabilizes at 53 days in the forecast, which is consistent with enhanced planning efficiency and normalized supply chain conditions. The disciplined management of receivables is evident in the gradual convergence of days sales outstanding (DSO) toward structurally stable levels of 25-30 days, while trade receivables fluctuate in accordance with revenue development and regional balance.

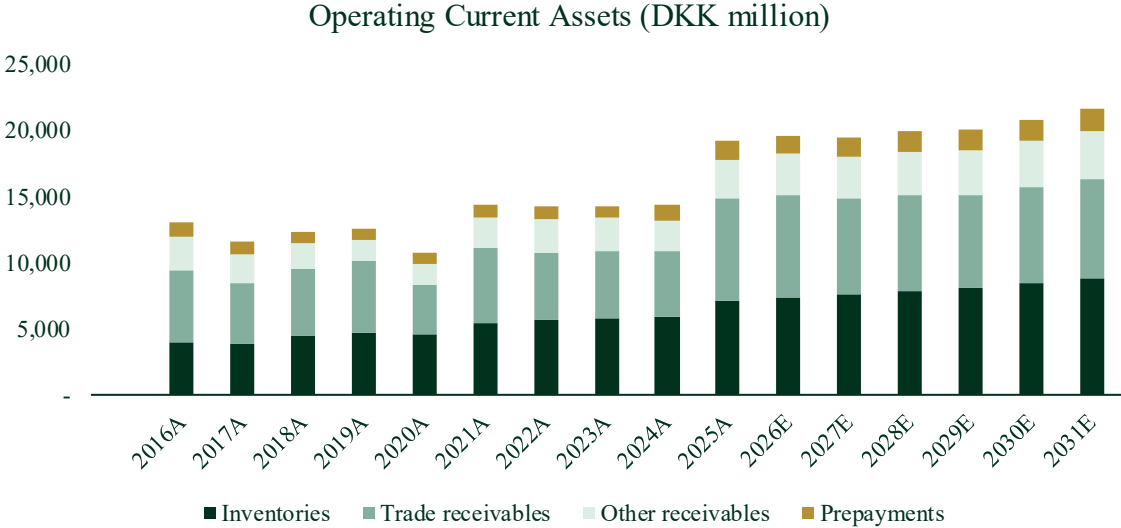


Figure 19: Operating Current Assets

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Trade payables are the primary operating current liabilities, as illustrated in Figure 20. The Group’s days payable outstanding (DPO) are structurally elevated due to its scale advantages and robust bargaining power. Despite the substantial increase in DPO during the inflationary period, it is anticipated to stabilize at 205 days in the forecast horizon. This assumption guarantees conservative projections and prevents the modeling of additional structural expansion of supplier financing.

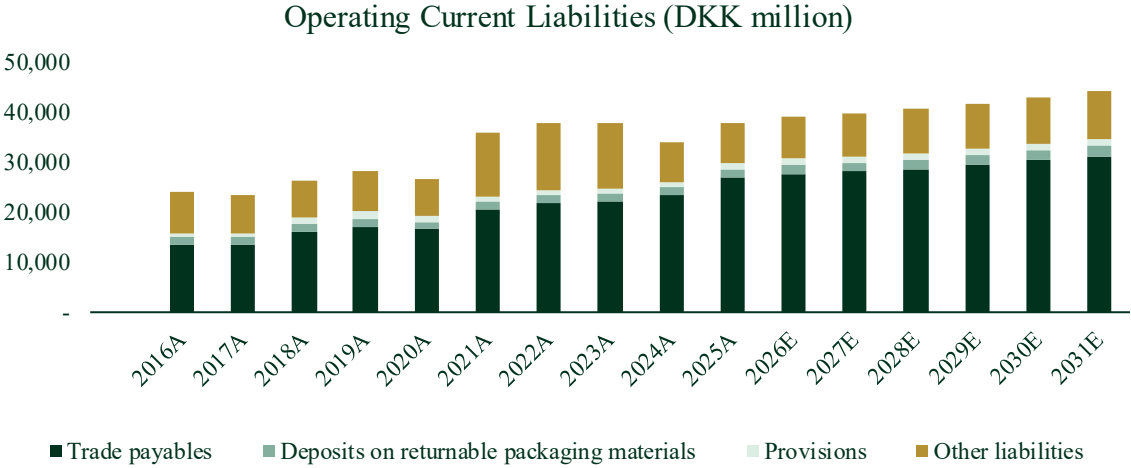


Figure 20: Operating Current Liabilities

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Figure 21 illustrates the cumulative impact of these dynamics, as operating working capital remains inherently negative for the duration of the period. This is indicative of a funding structure that is advantageous, as operating liabilities consistently exceed operating current assets. The working capital position experiences a decline during periods of elevated payables and subsequently stabilizes in accordance with revenue growth.

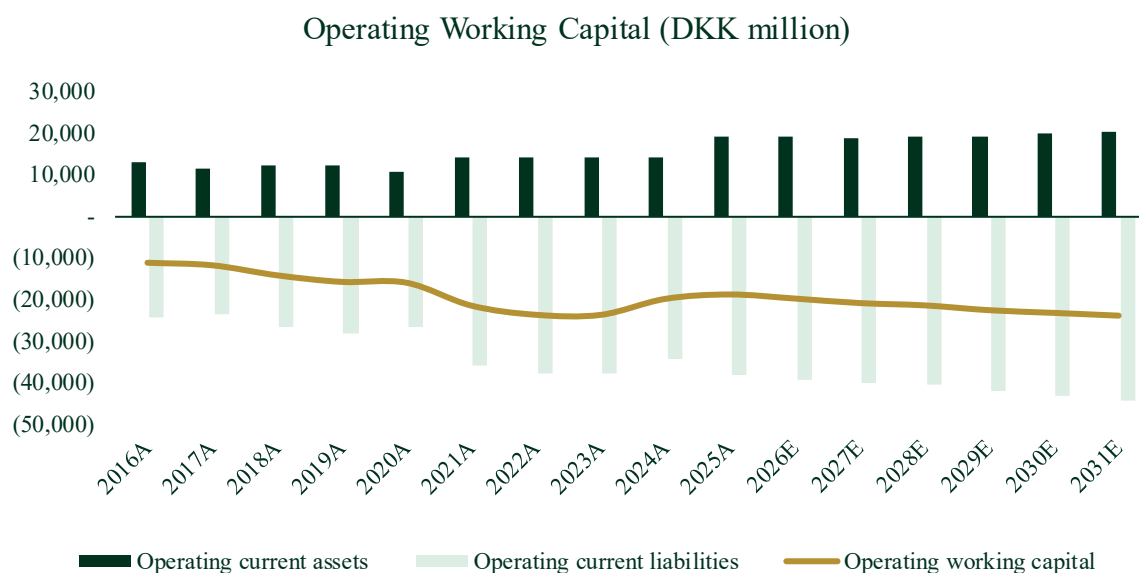


Figure 21: Operating Working Capital

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Table 3 illustrates that the cash conversion cycle is persistently negative in both historical and forecast periods. The cycle converges to a value of -120 to -126 days after experiencing transient fluctuations during the pandemic and inflationary environment. This level is indicative of sustained supplier financing advantages, disciplined receivables collection, and normalized inventory management.

| In Days | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|------------------------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| DIO | 46 | 46 | 52 | 52 | 56 | 62 | 55 | 52 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 |
| DSO | 32 | 28 | 30 | 30 | 23 | 35 | 26 | 25 | 24 | 32 | 31 | 28 | 27 | 25 | 25 | 25 |
| DPO | 158 | 162 | 189 | 188 | 201 | 239 | 209 | 198 | 209 | 201 | 205 | 205 | 205 | 205 | 205 | 205 |
| Cash conversion cycle | (80) | (88) | (108) | (106) | (122) | (142) | (128) | (121) | (132) | (116) | (120) | (123) | (124) | (126) | (126) | (126) |

Table 3: Cash Conversion Cycle

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix XII provides a breakdown of the components of working capital and associated days metrics.

From a valuation standpoint, Carlsberg’s structurally negative OWC serves as a consistent source of operating financing and improves the generation of free cash flow. The forecast

presupposes that WC increases in proportion to revenue without the need for additional structural optimization, thereby upholding sustainable and conservative cash flow assumptions.

4.2.2 Capital Expenditures

The development of capital expenditures is illustrated in Figure 22, which differentiates between investments in intangible assets, PPE, as well as the total CapEx as a percentage of revenue. Throughout the period, PPE is the predominant component of Carlsberg’s investment profile, which is indicative of the capital-intensive character of brewing operations.

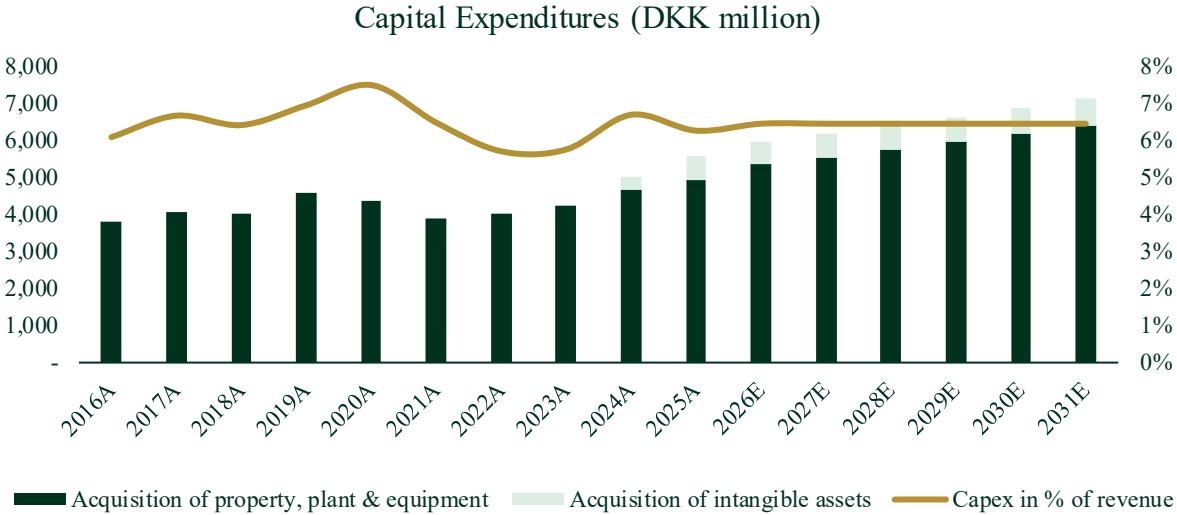


Figure 22: Capital Expenditures

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

A detailed reconciliation of CapEx is provided in Appendix XIII.

Historically, the total CapEx fluctuated between 5.0% and 7.0% of revenue, with transitory peaks indicating increased investment activity both before and during the pandemic. Based on historical averages and moderate long-term growth assumptions, CapEx are expected to account for approximately 6.5% of revenue during the forecast period. Rather than pursuing aggressive growth, investments are primarily used to maintain production capacity and implement minor efficiency improvements.

Projected operating margins are likely to remain stable because projected CapEx are similar to depreciation and amortization. This indicates a stable level of reinvestment intensity. In general, Carlsberg demonstrates a moderate capital intensity, which is indicative of a mature consumer goods business and structurally stable free cash flow generation.

4.2.3 Net Debt

Figure 23 illustrates the evolution of cash holdings, net debt, and the corresponding leverage ratio (Net Debt / EBITDA). Carlsberg has historically maintained moderate leverage levels, with net debt fluctuating in accordance with capital allocation decisions and operating performance.

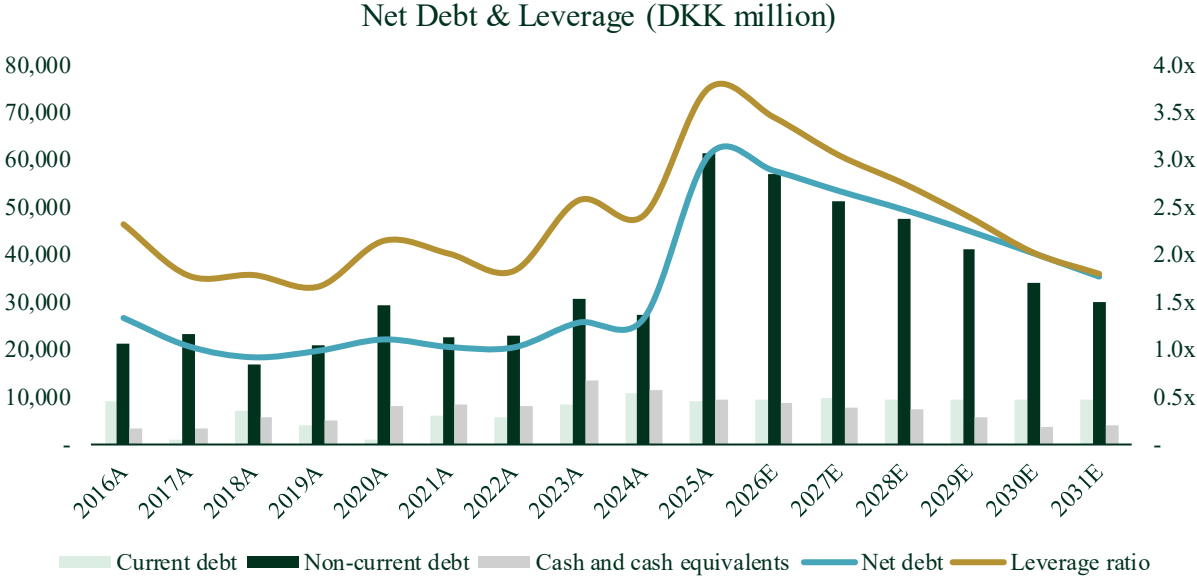


Figure 23: Net Debt & Leverage

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

A breakdown of the debt structure, cash, and the leverage is provided in Appendix XIV.

The acquisition of Britvic results in a significant increase in net debt in 2025. The leverage ratio temporarily increased to 3.8x as a result of the transaction’s primary financing through the issuance of bonds and additional debt. Consequently, this increase is transaction-driven and structural, rather than the consequence of operational underperformance.

As EBITDA increases and the Group generates consistent positive free cash flows, leverage progressively decreases during the forecast period. In the outer forecast years, the ratio of net debt to EBITDA will converge to 1.8x, which is indicative of organic deleveraging rather than asset disposals or equity issuance. This trajectory is consistent with the conservative and investment-grade capital structure that is typical for large consumer goods companies. The predominance of long-term debt reduces refinancing risk and improves financial stability. In general, the Britvic acquisition temporarily increases leverage, however, the anticipated normalization implies that Carlsberg maintains adequate debt capacity and financial flexibility.

This capital structure serves as a reliable foundation for the cost of capital assumptions that are implemented in the subsequent valuation. Appendix XV and Appendix XVI contain the complete forecasted income statement and balance sheet, respectively, while detailed projections of other balance sheet items are provided in Appendix XVII.

5. Valuation

Following the forecasting of Carlsberg's income statement and balance sheet, the intrinsic equity value can now be determined. The valuation is conducted using a discounted cash flow framework, with the Adjusted Present Value approach serving as the primary methodology. The APV method is considered appropriate given the temporary change in capital structure following the Britvic acquisition and the subsequent deleveraging path over the forecast horizon. By separating operating value from financing effects, APV allows for a transparent valuation of the unlevered firm value and the present value of the tax shield, without relying on the assumption of a constant capital structure (Luehrman, 1997).

For robustness, the valuation is complemented by a WACC-based DCF as a cross-check, as well as a relative valuation using market multiples. In addition, sensitivity analyses and a Monte Carlo simulation are performed to assess parameter uncertainty on the estimated equity value.

The intrinsic share price is determined as of 1 January 2026, corresponding to the beginning of the explicit forecast period.

5.1 Discounted Cashflow

5.1.1 Cost of Capital

This section outlines the determination of the cost of capital components applied in the valuation. The key inputs include the risk-free rate, beta, and the resulting cost of equity, as well as the cost of debt. These parameters form the basis for the subsequent valuation calculations.

5.1.1.1 Risk-free Rate

The risk-free rate is based on the yield of a 10-year Danish government bond. Given Carlsberg's domicile in Denmark and the valuation being conducted in DKK, the Danish sovereign bond yield represents an appropriate proxy for a risk-free benchmark. The 10-year government bond yield amounts to 2.6% (TRADING ECONOMICS, 2026).

Based on Damodaran's country risk premium table, a Moody's rating for Denmark corresponds to a default spread of 0.0%. Consequently, the applied risk-free rate equals 2.6% (Damodaran, 2026; Moody's, 2026).

5.1.1.2 Beta

To estimate Carlsberg's levered beta, a regression analysis was conducted using monthly excess returns over the past five years. The company's returns were regressed against two market

benchmarks, the EuroStoxx and the MSCI World Index. The resulting raw beta amounts to 0.61 (see Appendix XVIII).

To enhance robustness and reduce estimation noise inherent in single-company regressions, the result was benchmarked against the beverages industry beta (0.81) by Damodaran. Subsequently, a peer group approach was applied. First, the observed betas of comparable companies were unlevered to remove the effect of capital structure. The average unlevered beta was then relevered using Carlsberg’s target capital structure. Finally, a Blume adjustment was applied to account for mean reversion in beta estimates over time (Blume, 1971). The final step is illustrated in Table 4.

$$\beta_{Blume} = \frac{2}{3} \times \beta_i + \frac{1}{3} \times 1$$

Equation 12: Blume adjusted beta

Where:
 β_i = Relevered beta

| Company | Beta | D/E | Tax rate | Unlevered beta |
|----------------------------|-------------|-------------|-------------|----------------|
| Carlsberg A/S | 0.71 | 0.62 | 23% | 0.48 |
| Anheuser-Busch Inbev SA | 0.86 | 0.49 | 30% | 0.64 |
| Heineken NV | 0.51 | 0.40 | 18% | 0.38 |
| Davide Campari Milano NV | 0.35 | 0.59 | 26% | 0.24 |
| Remy Cointreau SA | 0.76 | 0.29 | 21% | 0.62 |
| Molson Coors Beverage CO | 0.48 | 0.31 | 28% | 0.39 |
| Diageo PLC | 0.21 | 0.16 | 25% | 0.19 |
| Royal Unibrew A/S | 0.31 | 0.31 | 22% | 0.25 |
| Average | 0.52 | 0.40 | 0.24 | 0.40 |
| Relevered beta | 0.59 | | | |
| Blume adjusted beta | 0.73 | 0.40 | 0.24 | 0.56 |

Table 4: Beta Determination

Source: LSEG Workspace, 2026; own analysis

5.1.1.3 Cost of Equity

The cost of equity is estimated using the CAPM. Under this framework, the expected return on equity is calculated by adding the risk-free rate to the product of the Blume-adjusted beta and the applicable equity risk premium. The equity risk premium is weighted according to Carlsberg’s geographic market exposure.

Based on the previously derived inputs, the resulting equity risk premium and the corresponding cost of equity are presented below.

| Country/Region | ERP | CRP | ERP + CRP | Weight |
|----------------|-------|-------|--------------|-------------|
| Western Europe | 5.24% | 1.04% | 6.28% | 58% |
| CEEI | 7.58% | 3.35% | 10.93% | 20% |
| Asia | 5.72% | 1.49% | 7.21% | 22% |
| | | | 7.41% | 100% |

Table 5: Equity Risk Premium

Source: Damodaran, 2026; own analysis

| Cost of equity | |
|-----------------------------------|--------------|
| Risk-free rate | 2.61% |
| Implied equity risk premium | 7.41% |
| Beta levered | 0.73 |
| Beta unlevered | 0.56 |
| Cost of equity | 7.98% |
| Cost of equity (unlevered) | 6.74% |

Table 6: Cost of Equity

Source: own analysis

5.1.1.4 Cost of Debt

To estimate the cost of debt, Carlsberg's current credit rating is used as a proxy for its borrowing risk. Based on Damodaran's synthetic credit spread table, a BBB+ rating corresponds to an estimated default spread of 2.0% (Damodaran, 2026). Adding this spread to the risk-free rate of 2.6% results in an implied cost of debt of 4.6% under the rating-based approach.

However, as a substantial portion of Carlsberg's outstanding debt consists of publicly traded bonds, a market-based estimate is additionally derived. The yield to maturity of the outstanding bonds is used to approximate the effective borrowing cost implied by current market conditions. This bond-based approach results in a cost of debt of 3.0% and is shown in more detail in Appendix XIX.

To reflect both the rating-implied credit risk and the observable market pricing of existing debt instruments, a weighted average of the two estimates is calculated in Table 7.

| Cost of debt | Weight | |
|-----------------------------------|--------------|--------|
| Credit rating (Fitch) | BBB+ | |
| Spread (Damodaran) | 2.00% | |
| Risk-free rate | 2.61% | |
| Cost of debt using ratings | 4.61% | 11.23% |
| Cost of debt using bonds | 3.04% | 88.77% |
| Cost of debt | 3.22% | |

Table 7: Cost of Debt

Source: Fitch Ratings, 2026; Damodaran, 2026; LSEG Workspace, 2026; own analysis

5.1.2 Free Cash Flow to Firm

The Free Cash Flow to the Firm is the cash flow that is available to all capital providers after operating expenses, taxes, reinvestment, and adjustments in working capital. It serves as the foundation for the unlevered valuation within the APV framework.

Starting with EBIT, FCFF is calculated and then adjusted for taxes to determine Net Operating Profit After Taxes. Changes in operating working capital and investments in fixed assets (CapEx) are subtracted, and non-cash expenses, mostly depreciation and amortization, are added back. This method ensures that the valuation considers only cash-generating operating performance and reinvestment needs.

5.1.3 Terminal Value

The perpetual growth method is employed to determine the terminal value, which is consistent with the conservative terminal assumption specified in the revenue forecast. This method assumes a long-term growth rate of 1.2%. This rate is indicative of structural industry maturity, moderate long-term nominal growth, and the avoidance of overstating sustainable expansion beyond the explicit forecast period.

The terminal value is determined by capitalizing the final forecasted FCFF using the perpetual growth formula and the unlevered cost of equity. This method ensures adherence to the APV framework.

The enterprise value of the operating business is the sum of the discounted terminal value and the present value of the projected FCFFs from 2026 to 2031. Table 8 specifies the calculation in detail.

| Free Cash Flows to Firm DKK million | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | TV (APV) |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Revenue | 92,323 | 95,674 | 99,153 | 102,765 | 106,514 | 110,407 | |
| EBITDA | 19,261 | 20,060 | 20,710 | 21,191 | 21,695 | 21,947 | |
| EBIT | 13,535 | 14,133 | 14,576 | 14,842 | 15,123 | 15,143 | |
| Tax rate | 22.5% | 22.0% | 21.5% | 21.0% | 21.0% | 21.0% | |
| NOPAT | 10,490 | 11,024 | 11,442 | 11,725 | 11,947 | 11,963 | |
| + Depreciation & Amortization | 5,726 | 5,927 | 6,134 | 6,349 | 6,572 | 6,803 | |
| - Δ OWC | (1,343) | (1,367) | (969) | (1,370) | (853) | (988) | |
| - CapEx | 5,968 | 6,185 | 6,409 | 6,643 | 6,885 | 7,137 | |
| FCFF | 11,591 | 12,132 | 12,136 | 12,801 | 12,487 | 12,618 | 227,818 |
| PV FCFF | 10,860 | 10,649 | 9,979 | 9,862 | 9,013 | 8,532 | 154,049 |

Table 8: Free Cash Flows to Firm

Source: own analysis

5.1.4 Present Value of the Tax Shield

The value of financing effects is captured separately under the APV framework by calculating the present value of the tax shield. The tax shield is a result of the tax deductibility of interest payments, which decreases the company's taxable income and, as a result, generates an additional value component for equity holders.

Based on the projected interest expenses and the applicable corporate tax rate, the annual tax shield is determined. As illustrated in Table 9, the annual tax shield will decrease from 2026 to 2031 as a result of the progressive deleveraging that has occurred in the wake of the Britvic acquisition, which has resulted in declining interest payments over the forecast period.

The risk characteristics of the financing revenue flows are reflected in the present value of each annual tax shield, which is discounted to the cost of debt. The aggregate of the discounted tax shields and terminal tax shields over the explicit forecast period is DKK -1,844 million.

| DKK million | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | TV |
|---------------------------|----------------|---------|---------|---------|---------|-------|-------|
| Interest Payments | (1,909) | (1,702) | (1,534) | (1,324) | (1,101) | (957) | |
| Tax Rate | 22.5% | 22.0% | 21.5% | 21.0% | 21.0% | 21.0% | |
| Tax Shield | (429) | (375) | (330) | (278) | (231) | (201) | (203) |
| PV Tax Shield | (416) | (352) | (300) | (245) | (197) | (166) | (168) |
| Sum of Tax Shields | (1,844) | | | | | | |

Table 9: PV Tax Shield

Source: own analysis

5.1.5 Expected Distress Costs

The APV framework considers potential distress costs that may result from financial leverage in addition to the tax shield. Moody's Investors Service (2006) implies a non-zero probability of financial default, despite Carlsberg's investment-grade credit profile (Baa).

The anticipated distress cost is determined by multiplying the enterprise value, the probability of default, and an assumed loss in the event of distress. In accordance with Koller et al. (2020), a conservative loss rate of 15.0% is implemented, which accounts for indirect bankruptcy expenses, including reputational harm, operational disruption, and the erosion of supplier and customer confidence, rather than the complete liquidation value.

| DKK million | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | TV |
|------------------------------------|--------------|---------|---------|---------|---------|---------|-------|
| Probability of default (Moody's) | 0.18% | 0.31% | 0.37% | 0.39% | 0.35% | 0.31% | |
| Enterprise value | 180,375 | 182,540 | 184,730 | 186,947 | 189,191 | 191,461 | |
| C (Koller) | 15% | 27,056 | 27,381 | 27,710 | 28,042 | 28,379 | 3,697 |
| Present value | 47 | 80 | 93 | 96 | 85 | 74 | 3,057 |
| Present value distress cost | 3,532 | | | | | | |

Table 10: PV Distress Cost

Source: Koller, 2020; own analysis

As shown in Table 10, the resulting expected annual distress costs are discounted to present value, leading to a total value of DKK 3,532 million.

5.1.6 Equity Bridge

The transition from enterprise value to equity value under the APV framework is encapsulated by the equity bridge. The present value of the tax shield is added to the enterprise value of 212,943 million DKK. Then, the present value of expected distress costs is subtracted.

To determine how much shareholders will receive, financial claims and non-operating obligations are adjusted. Then, cash and cash equivalents are added back while the market value of debt, non-controlling interests, and retirement benefit obligations are subtracted. Furthermore, non-current tax assets & liabilities, non-current receivables, and provisions are adjusted accordingly.

These changes bring the equity value to DKK 138,670 million. As of January 1, 2026, the intrinsic value per share is DKK 1,049 arrived from dividing the total equity by the number of outstanding shares.

This suggests an assessed upside potential of approximately 5.3% in comparison to the current market price.

| Equity Bridge APV DKK million | |
|----------------------------------|----------------|
| Enterprise value | 212,943 |
| + Present value tax shield | 1,844 |
| - Present value distress cost | 3,532 |
| - Market value of debt | 70,835 |
| - Non-controlling interest | 2,872 |
| - Retirement benefit obligations | 1,297 |
| + Cash and cash equivalents | 9,585 |
| + Non-current tax assets | 2,511 |
| - Non-current tax liabilities | 8,675 |
| + Non-current receivables | 860 |
| - Provisions | 1,863 |
| Equity value | 138,670 |
| Value per share | 1,049 |
| <i>Upside potential</i> | <i>5.3%</i> |

Table 11: Equity Bridge

Source: own analysis

5.1.7 WACC Method

As a robustness check, the valuation is additionally performed using the traditional WACC approach. Under this method, projected free cash flows to the firm are discounted using the WACC (shown in Table 12), which reflects the blended required return of equity and debt holders.

| WACC | |
|----------------|--------------|
| Cost of Equity | 7.98% |
| Cost of Debt | 3.22% |
| MV equity | 114,327 |
| MV debt | 70,835 |
| Tax | 23% |
| WACC | 5.88% |

Table 12: WACC

Source: own analysis

Discounting the projected FCFF and the terminal value using the WACC results in an enterprise value of DKK 252,026 million. After adjusting for net financial obligations, non-controlling interests, retirement benefit obligations, cash holdings, non-current tax assets & liabilities, non-current receivables, and provisions the implied equity value amounts to DKK 179,440 million. This corresponds to an intrinsic value per share of DKK 1,358 as of 1 January 2026.

| Free Cash Flows to Firm DKK million | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | TV |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Revenue | 92,323 | 95,674 | 99,153 | 102,765 | 106,514 | 110,407 | |
| EBITDA | 19,261 | 20,060 | 20,710 | 21,191 | 21,695 | 21,947 | |
| EBIT | 13,535 | 14,133 | 14,576 | 14,842 | 15,123 | 15,143 | |
| Tax rate | 22.5% | 22.0% | 21.5% | 21.0% | 21.0% | 21.0% | |
| NOPAT | 10,490 | 11,024 | 11,442 | 11,725 | 11,947 | 11,963 | |
| + Depreciation & Amortization | 5,726 | 5,927 | 6,134 | 6,349 | 6,572 | 6,803 | |
| - Δ OWC | (1,343) | (1,367) | (969) | (1,370) | (853) | (988) | |
| - CapEx | 5,968 | 6,185 | 6,409 | 6,643 | 6,885 | 7,137 | |
| FCFF | 11,591 | 12,132 | 12,136 | 12,801 | 12,487 | 12,618 | 269,767 |
| PV FCFF | 10,948 | 10,823 | 10,225 | 10,187 | 9,385 | 8,957 | 191,501 |

Table 13: Free Cash Flows to Firm - WACC

Source: own analysis

| Equity Bridge WACC DKK million | |
|----------------------------------|----------------|
| Enterprise value | 252,026 |
| - Market value of debt | 70,835 |
| - Non-controlling interest | 2,872 |
| - Retirement benefit obligations | 1,297 |
| + Cash and cash equivalents | 9,585 |
| + Non-current tax assets | 2,511 |
| - Non-current tax liabilities | 8,675 |
| + Non-current receivables | 860 |
| - Provisions | 1,863 |
| Equity value | 179,440 |
| Value per share | 1,358 |
| <i>Upside potential</i> | <i>36.3%</i> |

Table 14: Equity Bridge - WACC

Source: own analysis

Compared to the APV result, the WACC-based valuation yields a higher equity value and implies an upside potential of approximately 36.3%. The deviation primarily reflects methodological differences in the treatment of financing effects and leverage dynamics. Given the temporary post-acquisition leverage and subsequent deleveraging path, the WACC method is considered inappropriate for the primary valuation.

5.2 Sensitivity Analysis

A two-dimensional sensitivity analysis is performed on the APV-based equity value per share to evaluate the valuation's robustness. The analysis concentrates on fluctuations in the terminal growth rate and the cost of equity, as long-term assumptions are of structural significance in discounted cash flow models.

The implied equity value per share is DKK 1,049 under the base-case assumptions. As anticipated in long-duration cash flow models, the sensitivity matrix demonstrates that the valuation is particularly susceptible to fluctuations in the cost of equity.

| Sensitivity Analysis APV Value per Share (DKK) | | | | | | | | | | |
|--|-------|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | Terminal Growth Rate | | | | | | | | |
| | | 1.00% | 1.05% | 1.10% | 1.15% | 1.20% | 1.25% | 1.30% | 1.35% | 1.40% |
| Cost of Equity | 4.74% | 1,847 | 1,872 | 1,899 | 1,926 | 1,953 | 1,982 | 2,011 | 2,042 | 2,073 |
| | 5.24% | 1,564 | 1,583 | 1,602 | 1,623 | 1,643 | 1,664 | 1,686 | 1,708 | 1,731 |
| | 5.74% | 1,340 | 1,355 | 1,370 | 1,385 | 1,401 | 1,417 | 1,434 | 1,450 | 1,467 |
| | 6.24% | 1,159 | 1,171 | 1,183 | 1,195 | 1,207 | 1,219 | 1,232 | 1,245 | 1,258 |
| | 6.74% | 1,010 | 1,019 | 1,029 | 1,038 | 1,049 | 1,058 | 1,068 | 1,078 | 1,089 |
| | 7.24% | 884 | 892 | 899 | 907 | 915 | 923 | 931 | 939 | 948 |
| | 7.74% | 777 | 784 | 790 | 796 | 803 | 809 | 816 | 822 | 829 |
| | 8.24% | 685 | 690 | 695 | 701 | 706 | 711 | 717 | 722 | 728 |
| | 8.74% | 605 | 609 | 614 | 618 | 622 | 627 | 631 | 636 | 640 |

Table 15: Sensitivity Analysis

Source: own analysis

Overall, the analysis demonstrates that the valuation remains within a reasonable range under realistic parameter variations. While the implied share value is sensitive to discount rate assumptions, the base-case result does not rely on extreme terminal growth or unusually low capital costs, supporting the internal consistency of the model.

5.3 Monte Carlo Simulation

To assess value uncertainty, an APV-based Monte Carlo simulation is run. This method captures joint parameter risk by simultaneously varying key input parameters according to established probability distributions, unlike deterministic sensitivity analysis.

The simulation focuses on equity cost and terminal growth rate, the main long-term value drivers. Within economically viable ranges around base-case assumptions, both parameters are modeled. Implied equity and share values are distributed using 15,000 iterations.

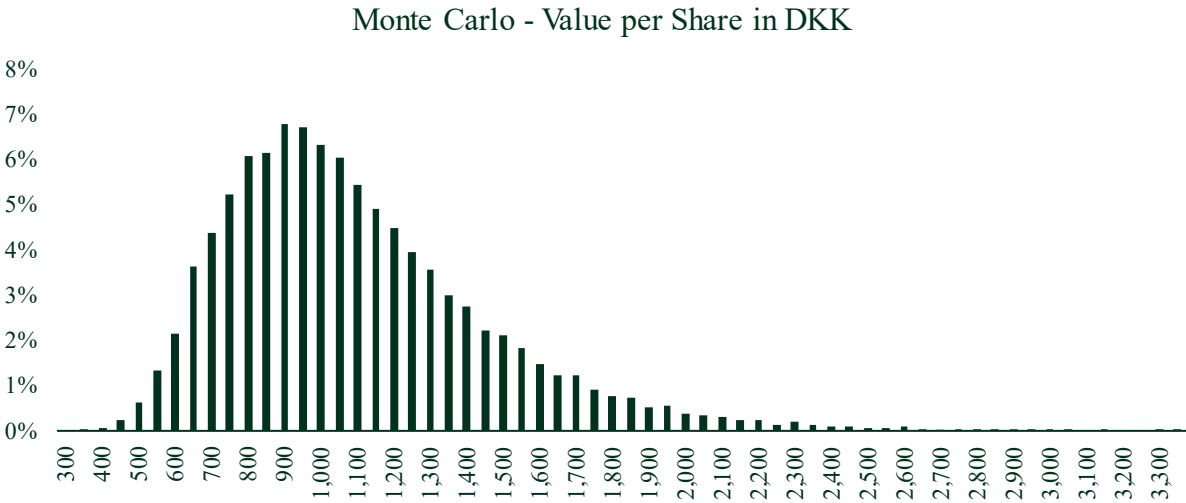


Figure 24: Monte Carlo Simulation – Value per Share
Source: own analysis

Figure 24 shows the simulated share price distribution. The histogram shows a right-skewed distribution, illustrating growth assumptions’ disproportionate impact on long-term cash flow models. Most simulated values cluster around the base-case estimate at DKK 1,048, except for extreme high-value outcomes with favorable discount rates and stronger terminal growth.

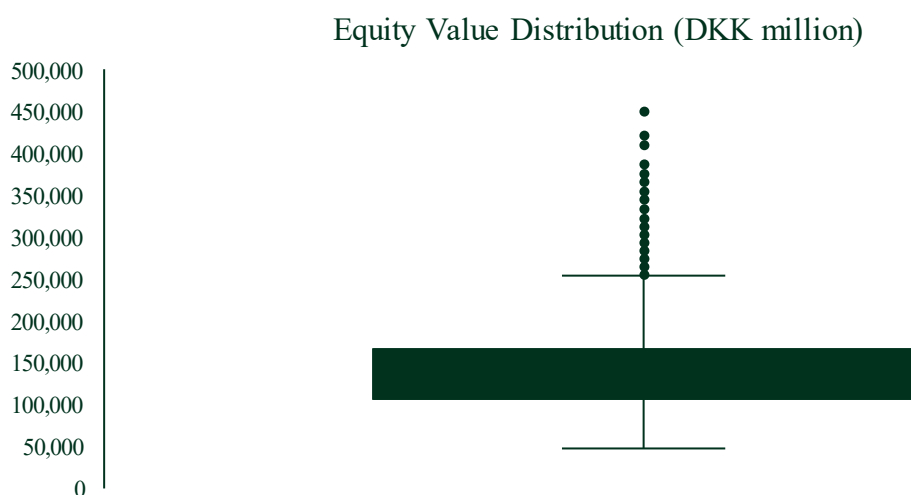


Figure 25: Monte Carlo Simulation – Equity Value

Source: own analysis

The equity value boxplot further illustrates that the interquartile range remains concentrated around the central estimate of DKK 138,956 million, suggesting that the base-case valuation is within a statistically plausible range of outcomes. The probability-weighted distribution substantiates the robustness of the intrinsic valuation derived under the APV approach, despite the fact that tail scenarios generate substantially higher or lower values.

In general, the Monte Carlo simulation verifies that the valuation outcome is not determined by a single-point estimate, but rather remains economically reasonable when key assumptions are simultaneously varied.

5.4 Relative Valuation

The relative valuation complements the intrinsic approaches by benchmarking Carlsberg against a selected peer group of listed international beverage companies. The peer group includes global brewers and alcoholic beverage producers with comparable geographic exposure, brand positioning, and capital intensity. Forward-looking trading multiples were obtained from LSEG Workspace, 2026.

| Company | EV/EBITDA | EV/EBIT | P/E | EV/Revenue |
|--------------------------|-----------|---------|--------|------------|
| Davide Campari Milano NV | 12.62x | 14.67x | 40.00x | 3.24x |
| Remy Cointreau SA | 12.61x | 13.40x | 23.42x | 3.03x |
| Pernod Ricard SA | 10.75x | 11.26x | 11.99x | 3.17x |
| Heineken NV | 9.84x | 14.23x | 22.86x | 2.15x |
| Anheuser-Busch Inbev SA | 10.00x | 12.52x | 23.43x | 3.60x |
| Diageo PLC | 13.08x | 13.92x | 20.49x | 3.60x |
| Royal Unibrew A/S | 17.63x | 15.60x | 22.02x | 2.46x |
| Molson Coors Beverage Co | 6.06x | 8.40x | - | 1.27x |
| Boston Beer Company Inc | 8.23x | 12.37x | 22.06x | 1.04x |

Table 16: Multiple Valuation - Peers

Source: LSEG Workspace, 2026

In accordance with the most effective valuation methodology, forward-looking multiples are implemented, as they more accurately represent Carlsberg's anticipated earnings capacity subsequent to the integration of Britvic. Industry valuations are typically determined by anticipated operating performance, because of ongoing pricing initiatives and portfolio shifts toward premium and non-alcoholic categories.

Enterprise value-based multiples (EV/EBITDA, EV/EBIT, and EV/Revenue) are prioritized to improve comparability among peers, as they reduce distortions caused by variations in capital structure and accounting policies. The P/E ratio is employed as a complementary equity-based metric. The following implied values per share were derived using peer-group medians in relation to Carlsberg's projected figures.

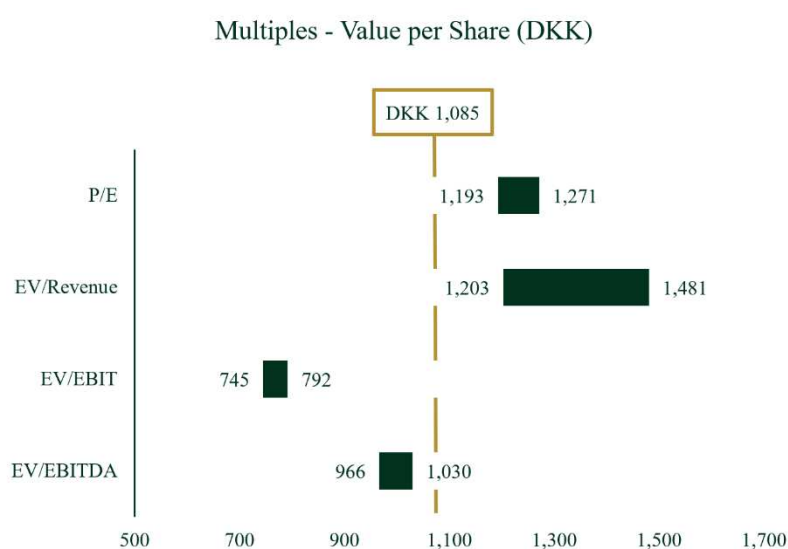


Figure 26: Multiple Valuation – Value per Share

Source: own analysis

The implied valuations demonstrate dispersion, which is indicative of variations in profitability, growth, and business composition within the chosen peer group. Despite the fact that competitors in the global beverage industry operate in similar segments, valuation levels are influenced by differences in premium exposure, regional revenue composition, and margin profiles.

Premium-focused companies typically trade at higher revenue multiples as a result of their superior pricing power and structural margins, which results in elevated implied values under revenue-based metrics. Conversely, EBIT-based multiples are more closely associated with operating profitability and, as a result, are more susceptible to Carlsberg’s relatively modest long-term margin assumptions.

To avoid reliance on a single metric and to mitigate method-specific bias, the average of the applied multiples is used. This results in an implied average value per share of DKK 1,085.

| Multiples | DKK million |
|-------------------------|-------------|
| Enterprise Value | 211,200 |
| Equity Value | 136,927 |
| Value per Share | 1,085 |
| <i>Upside potential</i> | <i>8.9%</i> |

Table 17: Multiple Valuation – Outcome

Source: own analysis

Overall, the relative valuation provides a market-based benchmark that is in line with the intrinsic APV valuation estimate. While the dispersion across multiples highlights the sensitivity to profitability and margin assumptions, the results support the overall valuation range derived from the discounted cash flow analysis.

5.5 Valuation Summary

The intrinsic APV model, the Monte Carlo simulation, and the relative valuation are combined in the final valuation. Although a WACC-based DCF was conducted as a methodological cross-check, it was not incorporated into the ultimate target price determination because of the modified capital structure that resulted from the Britvic acquisition. Given the transitional leverage profile, the APV framework offers a valuation approach that is more theoretically consistent, as it distinguishes between financing effects and operating performance.

The APV valuation yields a value per share of DKK 1,049. Based on enterprise and equity multiples, the relative valuation suggests an average value per share of DKK 1,085. The Monte

Carlo simulation generates a distribution with a central estimate that is essentially consistent with the APV outcome at DKK 1,048. However, it also illustrates a broader valuation range that is influenced by the sensitivity of discount rates and terminal growth assumptions.

The final target price is determined by averaging the central estimates of APV, Monte Carlo, and multiples in order to reduce model-specific bias. As of 01.01.2026, the price target is DKK 1,061 per share.

The valuation suggests a potential upside of 6.5% when contrasted with the current share price of DKK 996. Although the intrinsic valuation suggests a moderate undervaluation, the results are highly susceptible to margin development, long-term growth assumptions, and the cost of capital inputs, as evidenced by the dispersion across methods.

In general, Carlsberg demonstrates a diversified portfolio, strong regional positioning, and stable cash flow generation. However, it is confronted with structural cost pressures, regulatory constraints, and competitive intensity in mature markets. The valuation supports a Hold recommendation with moderate upside potential, rather than a buy signal, due to the inherent uncertainty surrounding long-term projections and the moderate but not substantial upside.

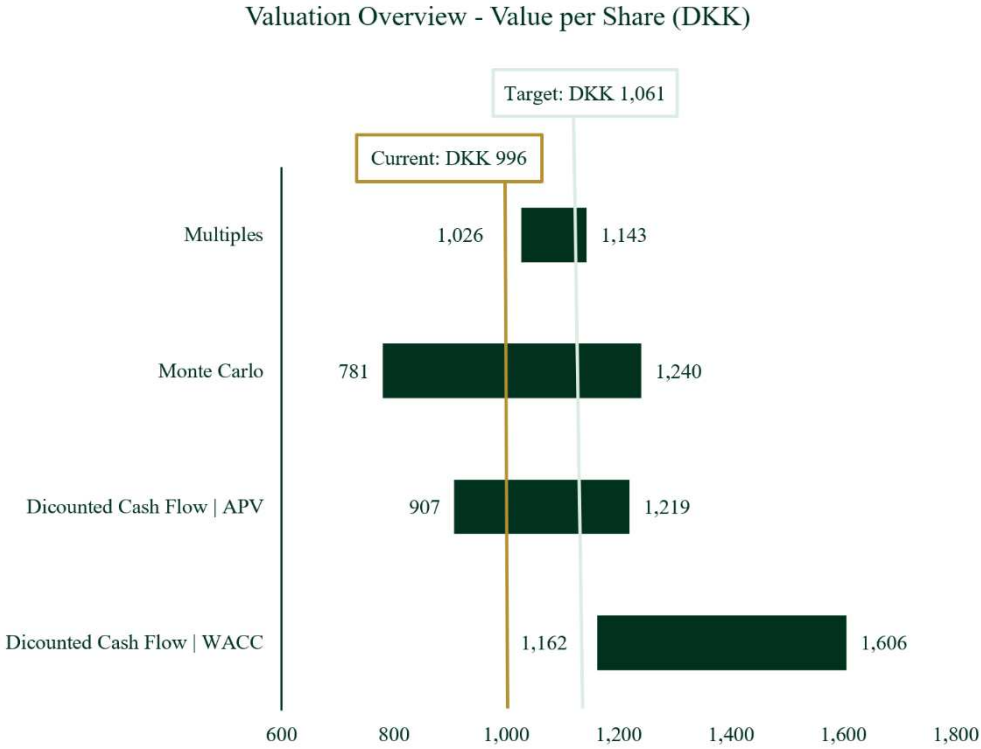


Figure 27: Valuation Overview – Value per Share

Source: own analysis

6. Comparison to other Research

This section benchmarks the derived target price against current analyst estimates to further validate the valuation results and evaluate external market expectations. A selection of recent research reports and target prices published by major investment banks and research organizations is presented in Table 18.

| Contributor | Recommendation | Rec. Date | Review Date | DKK | % Diff from Current Price |
|-----------------------------------|----------------|-------------|-------------|--------------|---------------------------|
| JYSKE BANK | HOLD | 16-Feb-2026 | 24-Feb-2026 | 1,000.00 | 0.40% |
| DNB CARNEGIE | BUY | 29-Jan-2026 | 12-Feb-2026 | 1,080.00 | 8.43% |
| BAADER EUROPE / ALPHAValue | ADD | 16-Jan-2026 | 20-Feb-2026 | 1,136.00 | 14.06% |
| NYKREDIT MARKETS | BUY | 20-Oct-2025 | 20-Feb-2026 | 1,000.00 | 0.40% |
| ODDO BHF | ACHAT | 15-Oct-2025 | 10-Feb-2026 | 1,100.00 | 10.44% |
| HSBC GLOBAL INVESTMENT RESEARCH | HOLD | 07-May-2025 | 25-Nov-2025 | 1,060.00 | 6.43% |
| BERENBERG | HOLD | 01-Apr-2025 | 06-Feb-2026 | 1,033.00 | 3.71% |
| ESN/CIC MARKET SOLUTIONS (FRANCE) | NEUTRAL | 04-Nov-2024 | 05-Feb-2026 | 930.00 | -6.63% |
| JEFFERIES | BUY | 26-Sep-2022 | 05-Feb-2026 | 1,150.00 | 15.46% |
| ROTHSCHILD & CO REDBURN | BUY | 15-Mar-2022 | 11-Feb-2026 | 1,100.00 | 10.44% |
| Mean | | | | 1,059 | 6.32% |

Table 18: Other Research – Target Price

Source: LSEG Workspace, 2026; own analysis

In general, the intrinsic value derived from this thesis is within the observed range and is consistent with the generally positive sentiment expressed in predominantly Buy and Hold recommendations.

The target price derived from this analysis is slightly above the mean of the observed distribution suggesting that the valuation is essentially in line with current market expectations.

| Contributor | BAADER EUROPE / ALPHAValue | Own Analysis |
|----------------------------|----------------------------|--------------|
| Target price (DKK) | 1,136 | 1,061 |
| Upside | 14.06% | 6.50% |
| Beta (levered) | 0.87 | 0.73 |
| Cost of debt | 3.53% | 3.22% |
| Cost of equity | 7.86% | 7.98% |
| Cost of equity (unlevered) | 6.74% | 6.74% |
| Equity risk premium | 5.00% | 7.41% |
| WACC | 6.49% | 5.88% |
| Terminal value (% of EV) | 69.00% | 72.34% |
| Terminal growth | 2.00% | 1.20% |
| FCFF 2031 (DKK million) | 12,077 | 12,618 |

Table 19: Other Research - Comparison

Source: Alpha Value; own analysis

In contrast to fundamentally different operational outlooks, differences in target prices are predominantly the result of structural modeling choices. Baader Europe / Alphavalue applies a traditional WACC-based DCF framework, discounting forecasted FCFF derived from operating projections for revenue, margins, capital expenditures, and working capital. While the cash flow

definition and forecasting structure are broadly comparable to those applied in this thesis, the valuation approach differs, as this analysis relies primarily on an APV framework. Consequently, differences in target prices are mainly driven by modelling choice and variations in leverage assumptions, discount rates, and terminal growth expectations, which directly influence the terminal value contribution and overall enterprise value.

The plausibility of the valuation framework employed in this thesis is generally supported by external research. The target price that has been derived is consistent with the market consensus, while also reflecting a fair evaluation of Carlsberg's growth prospects and structural industry characteristics.

7. Conclusion

This dissertation employs a triangulated valuation framework that integrates the Adjusted Present Value approach, a Monte Carlo simulation, and relative valuation multiples to ascertain the intrinsic equity value of Carlsberg A/S. The current market price of DKK 996 is compared to the resultant target price of DKK 1,061 per share as of 01 January 2026, which implies an upside of approximately 6.5%. A Hold recommendation is appropriate due to the moderate magnitude of this upside.

The valuation framework intentionally refrains from relying on a single methodology. The conceptual anchor is the APV approach, which is particularly pertinent in light of Carlsberg's temporary post-acquisition leverage and planned deleveraging, as it explicitly separates financing effects from operational performance. The Monte Carlo simulation captures parameter uncertainty, while relative valuation guarantees alignment with market-based benchmarks. The final target price is a fair evaluation that is based on the central estimates of these approaches.

Carlsberg's fundamental advantages are derived from a structurally stable industry, a disciplined capital allocation, and a robust brand portfolio. The company is positioned as a defensive consumer staple, rather than a high-growth investment, due to the constant generation of cash flow and the moderate growth prospects and pricing power achieved through premiumization.

The valuation remains contingent on long-term assumptions, such as the terminal value, discount rate, and growth parameters. Even though stochastic simulation incorporates dispersion in key inputs, structural or macroeconomic shocks cannot be completely captured. The main reason for discrepancies between internal and external analyst estimates is differing assumptions about the cost of capital and long-term growth.

Carlsberg is generally moderately valued, with positive upside potential that is limited, however. Current market conditions justify maintaining a balanced Hold recommendation because the valuation is susceptible to long-term assumptions, and the lack of significant margin safety.

Appendix I: Interest Tax Shield & Expected Distress Costs

This appendix provides a more detailed treatment of the two principal financing side effects considered in the Adjusted Present Value APV framework: (i) the present value of the interest tax shield and (ii) the present value of financial distress costs.

Interest Tax Shield

Interest payments are generally tax-deductible, creating a tax benefit to debt financing known as the interest tax shield. Under corporate taxes, this is a key channel through which leverage can increase firm value (Modigliani & Merton, 1963). The tax shield is expressed as:

$$ITS_t = \tau \times Interest_t$$

Equation 13: Interest Tax Shield

Where:

$$\begin{aligned} \tau &= \text{Tax rate} \\ Interest_t &= \text{Interest expense period } t \end{aligned}$$

The present value of interest tax shield is the sum of the discounted value of expected future tax shields:

$$PV(ITS) = \sum_{t=1}^n \frac{ITS_t}{(1 + r_d)^t}$$

Equation 14: Present Value Interest Tax Shield

Where:

$$r_d = \text{Cost of debt}$$

Distress Costs

Financial distress costs refer to value losses associated with a firm approaching or entering distress. These costs include both direct costs (legal and administrative expenses) and indirect costs (lost customers, supplier restrictions, disrupted operations, underinvestment, and agency conflicts). Importantly, even if bankruptcy does not occur, the risk of distress can reduce firm value (Brealey et al., 2011; Damodaran, 2012). Expected distress costs are expressed as:

$$E[\text{Distress Costs}_t] = PD_t \times LGD_t \times EV_t$$

Equation 15: Expected Distress Costs

Where:

PD_t = Probability of Default in period t

LGD_t = Loss given Default in period t

EV_t = Enterprise Value in period t

Thus, the present value becomes:

$$PV(\text{Distress Costs}) = \sum_{t=1}^n \frac{E[\text{Distress Costs}_t]}{(1 + r_{DC})^t}$$

Equation 16: Present Value Distress Costs

Where:

r_{DC} = Discount rate reflecting the risk of distress costs

Appendix II: Other Valuation Methods

Balance Sheet based Valuation

The book or replacement value of assets net of liabilities is the basis for the estimation of firm value in balance sheet-based valuation methodologies. Common methodologies include liquidation value, adjusted book value, and book value.

Asset recoverability is the primary concern for firms operating in asset-intensive industries or in situations of financial distress, making these methods particularly pertinent. Nevertheless, balance sheet-based valuation largely disregards a company's capacity to generate future cash flows, resulting in the failure to account for intangible assets, growth opportunities, and competitive advantages. Consequently, these methods are generally regarded as inadequate for valuing continuing concerns and are seldom employed in isolation in equity valuation (Brealey et al., 2011).

Contingent Claim Valuation

Contingent claim valuation applies option pricing theory to corporate finance problems by modeling equity and other claims as options on the firm's underlying assets. Firms with substantial growth options, complex capital structures, or considerable financial leverage are particularly well-suited to this methodology (Black and Scholes, 1973).

Contingency claim models offer valuable insights into the value of managerial flexibility and adverse protection; however, their application at the firm level is frequently limited by robust modeling assumptions and data requirements. As a result, option-based valuation techniques are generally employed to evaluate specific initiatives or strategic decisions, rather than entire firms (Damodaran, 2012).

Sum-of-the-parts (SOTP)

Sum-of-the-parts valuation is employed to approximate the value of a firm by valuing individual business segments separately and aggregating their values to determine the total firm value. Diversified organizations that operate in various industries or regions with diverse risk and growth profiles may find this methodology particularly advantageous.

The SOTP valuation method is more flexible because it allows to use different valuation methods or assumptions for different parts of the analysis. However, the reliability of the results

depends on the consistency of the assumptions across segments and the ease of obtaining segment-level information.

As such, SOTP valuation is most effectively regarded as a supplementary method rather than a replacement for firm-wide valuation models (Koller et al., 2020).

Appendix III: Consolidated Overview of Valuation Methods

| Valuation Method | Short Description | Advantages | Limitations |
|---|---|---|--|
| Discounted Cash Flow (FCFF) | Values the firm as the present value of free cash flows to the firm discounted at WACC. | Theoretically rigorous; directly linked to fundamentals; internally consistent. | Sensitive to growth, discount rate, and terminal value assumptions. |
| Discounted Cash Flow (FCFE) | Values equity as the present value of free cash flows to equity discounted at the cost of equity. | Direct estimate of equity value; suitable when leverage is stable. | Requires reliable debt forecasts; sensitive to capital structure assumptions. |
| Adjusted Present Value | Separates operating value from financing effects by valuing unlevered cash flows and adding financing side effects. | Transparent treatment of capital structure; suitable for changing leverage. | Dependent on future assumptions of leverage, tax shield, and the appropriate risk adjustment of financing effects. |
| Dividend Discount Model | Values equity as the present value of expected future dividends. | Conceptually simple; grounded in present value theory. | Dependent on payout policy; unsuitable for firms with unstable dividends. |
| Perpetual Growth Model (Terminal Value) | Estimates terminal value assuming constant growth beyond the forecast horizon. | Theoretically consistent; grounded in steady-state assumptions. | Highly sensitive to perpetual growth rate. |
| Exit Multiple Approach | Estimates terminal value by applying a valuation multiple at the end of the forecast period. | Market-aligned; intuitive and widely used in practice. | Embeds market conditions; lacks intrinsic valuation foundation. |
| Relative Valuation (Multiples) | Values a firm relative to comparable companies using financial multiples. | Simple; reflects current market pricing; useful benchmark. | Reflects relative rather than intrinsic value; dependent on comparables. |
| Balance Sheet-Based Valuation | Values the firm based on net asset or liquidation value. | Useful in distress or asset-heavy industries. | Ignores future cash flow generation and intangibles. |
| Contingent Claim Valuation | Applies option pricing theory to value equity or projects. | Captures managerial flexibility and downside protection. | Strong modeling assumptions; limited firm-level applicability. |
| Sum-of-the-Parts | Values business segments separately and aggregates total firm value. | Flexible; suitable for diversified firms. | Requires reliable segment data; assumption consistency critical. |

Table 20: Overview of Valuation Methods

Source: own analysis

Appendix IV: Porter's Five Forces

Porter's Five Forces framework is implemented to evaluate the competitive intensity and structural attractiveness of the global brewing industry. The examination concentrates on the factors that influence long-term profitability and the constraints that producers like Carlsberg face (Porter, 2008).

Threat of New Entrants

In the brewing industry, there is minimal risk of new entrants. Significant capital investment in production facilities, distribution infrastructure, and marketing is necessary for large-scale brewing, which establishes substantial barriers to entry. Furthermore, incumbent companies are advantageously situated due to their established relationships with distributors and retailers and their robust brand loyalty. Entry barriers are further exacerbated by regulatory requirements concerning alcohol production, taxation, and marketing. In recent years, craft brewers have entered niche segments; however, their influence is restricted to specific local markets and does not pose a material threat to the competitive position of global brewers (World Economic Forum and McKinsey, 2025).

Bargaining Power of Suppliers

Suppliers generally possess moderate bargaining power. Energy, packaging materials (glass, aluminum), and agricultural commodities (barley, hops) comprise critical inputs. The pricing power of suppliers is restricted by the fact that these inputs are primarily undifferentiated and sourced from competitive markets. Nevertheless, margins may be impacted by the volatility of input costs, particularly for agricultural and petroleum commodities. Large brewers capitalize on scale advantages in procurement, long-term supplier relationships, and hedging strategies, which reduce supplier power in comparison to their smaller competitors (Euromonitor International, 2024).

Bargaining Power of Buyers

Particularly in developed markets, buyer influence in the beer industry is moderate to high. The scope and capacity to influence shelf space and pricing of large retail chains, supermarkets, and on-trade distributors provide them with substantial negotiating leverage. This is partially mitigated by robust consumer brands, which diminish substitutability and grant brewers pricing leverage. According to Porter (2008) and the World Economic Forum and McKinsey (2025),

buyer power is more restricted in markets where premium and differentiated brands are dominant, while price competition is more intense in mainstream segments.

Threat of Substitutes

Substitutes pose a significant and growing threat. Beer competes with other alcoholic beverages, such as wine and spirits, as well as non-alcoholic beverages, such as soft drinks and functional beverages. Changing consumer preferences, health concerns, and moderation trends have worsened substitution pressures in many markets. To mitigate this risk and retain customers, brewers have introduced alcohol-free beer and Beyond Beer categories to their product lines (Euromonitor International, 2024).

Rivalry Among Existing Competitors

There is a significant amount of competition in the beverage industry. A limited number of large multinational brewers dominate the market, competing across overlapping geographies, brands, and price segments. In mature markets with limited volume growth, industry consolidation has intensified rivalry among prominent players, but it has also increased scale efficiencies. Competition is primarily determined by brand strength, pricing, innovation, and marketing, rather than capacity expansion. Margin pressure can be exerted during periods of aggressive price competition, particularly in mainstream segments (Porter, 2008; World Economic Forum and McKinsey, 2025).

Overall Industry Attractiveness

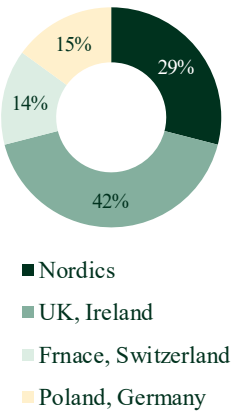
In general, the lager industry demonstrates moderate structural attractiveness. Incumbent profitability is bolstered by robust brands and high entry barriers, while long-term returns are restricted by intense rivalry, consumer power, and substitution pressures. The Five Forces analysis indicates that sustainable value creation is more dependent on firm-specific advantages, such as brand equity, portfolio blend, scale, and disciplined execution, than on industry growth for valuation purposes.

Appendix V: Overview and analysis of regions

Western Europe

Carlsberg’s most mature and value-intensive region is Western Europe, which is distinguished by structurally limited long-term beer volume growth, robust profitability, and an increasing portfolio diversification. Figure 28 illustrates the distribution of volumes across the Nordics, France and Switzerland, Poland and Germany, and the UK and Ireland. The UK has acquired strategic importance within the region as a result of the acquisition and consolidation of Britvic in 2025. This has resulted in a substantial increase in both scope and category diversification, particularly in the soft drinks sector. The United Kingdom is now a significant contributor to growth and earnings in Western Europe, despite the fact that the regional footprint remains diversified.

Volume by market



Regional results

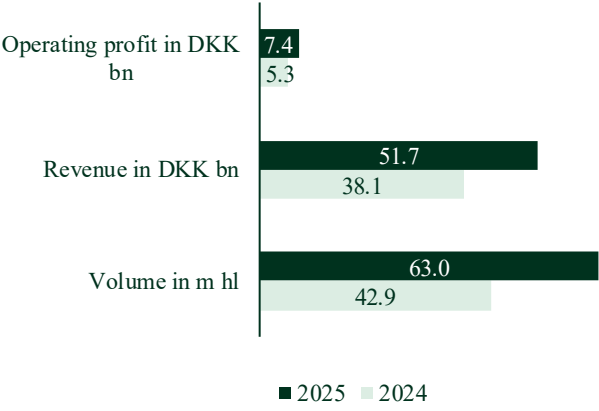


Figure 28: Volume by market (Western Europe)

Figure 29: Regional results (Western Europe)

Source: Carlsberg Group, 2025

The regional results in Figure 29 demonstrate that Western Europe experienced robust reported growth in 2025, with volumes increasing by 46.7%, revenue by 35.6%, and operating profit by 40.0% as illustrated. In addition to underlying operational developments, the substantial expansion is predominantly the result of portfolio changes and consolidation effects, with Britvic being the most notable inclusion.

Western Europe, which is the Group’s primary earnings anchor from a strategic perspective, has become an even more significant contributor as a result of recent portfolio expansion. Margin resilience and cash flow stability are achieved through disciplined cost management,

premiumization, and strong brand positions, despite the fact that structural volume growth is still constrained in mature markets. In comparison to emerging markets, the region is underpinned by assumptions of relatively stable profitability and limited cyclicality for valuation purposes, despite having structurally lower long-term development.

Asia

Carlsberg’s primary long-term growth region is Asia, which includes China and Hong Kong SAR as its greatest markets, as well as Vietnam, Laos, Cambodia, Malaysia, and Singapore. Volumes are still highly concentrated in China and Hong Kong SAR, as demonstrated in Figure 30, underscoring the geographic concentration and scope of the region.

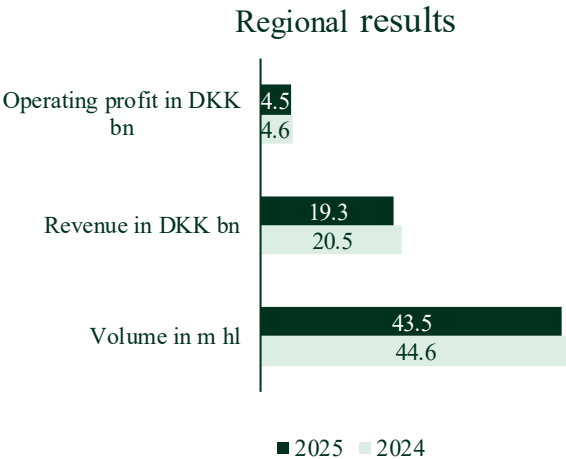
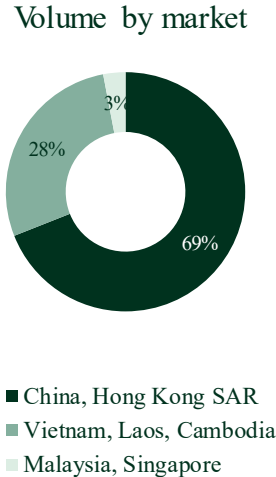


Figure 30: Volume by market (Asia)

Figure 31: Regional results (Asia)

Source: Carlsberg Group, 2025

Asia experienced a reported decline in important metrics in 2025. Figure 31 illustrates that revenues decreased by -5.8%, volumes decreased by -2.4%, and operating profits decreased by -3.6% year-over-year. The diminished performance is primarily due to the competitive pressures and challenging consumer conditions in critical markets.

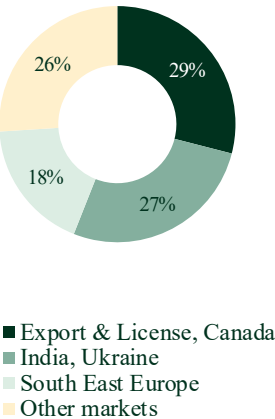
In terms of strategic potential, Asia continues to offer a structurally higher long-term growth potential than Europe, which is bolstered by favorable demographics, increasing disposable incomes, and ongoing premiumization trends. Simultaneously, the region’s elevated earnings volatility and susceptibility to macroeconomic and regulatory risks are underscored by its most recent performance. From a valuation standpoint, Asia is a region that supports higher long-

term development assumptions. However, this comes with a higher risk profile and greater volatility in the short term.

Central & Eastern Europe and India

India and selected Export & License activities are combined with emerging European markets in the Central & Eastern Europe and India region. Carlsberg is present in a variety of countries, including India, Ukraine, the Baltics, Kazakhstan, Azerbaijan, designated Balkan markets, and export markets like Canada. Figure 32 illustrates that the region exhibits a diversified volume split across owned operations, export, and licensing activities, which reflects a flexible and heterogeneous regional footprint.

Volume by market



Regional results

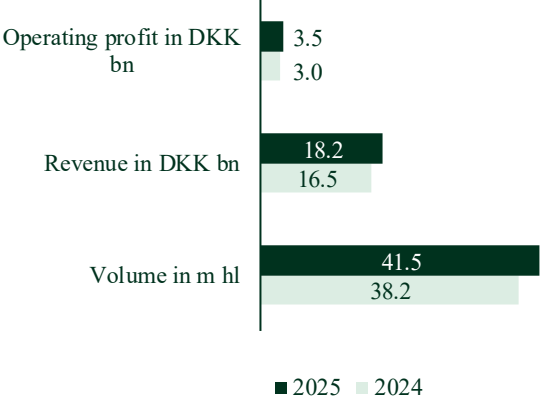


Figure 32: Volume by market (CEEI)

Figure 33: Regional results (CEEI)

Source: Carlsberg Group, 2025

In 2025, CEEI demonstrated robust reported growth in all critical metrics. Operating profit increased by 13.6% year-over-year, revenue increased by 10.4%, and volumes increased by 8.6%, as illustrated in Figure 33 of the regional results. The performance is indicative of its ongoing expansion in structurally growing markets, particularly India, as well as its positive mix effects and operating leverage.

CEEI is the Group’s most dynamic growth platform from a strategic standpoint. Although the region makes a substantial contribution to consolidated growth and margin expansion, its earnings volatility is higher than that of Western Europe due to its vulnerability to macroeconomic, regulatory, and geopolitical risks. The CEEI supports higher growth assumptions in valuation terms, but it also warrants a comparatively higher risk assessment.

Appendix VI: Competitors

| Company | Business Model | Geography | Scale | Profitability | Leverage | Strategic Similarity | Long-term growth | Weighted Score |
|---------------|----------------|-----------|-------|---------------|----------|----------------------|------------------|----------------|
| | 30% | 15% | 15% | 10% | 10% | 10% | 10% | 100% |
| AB InBev | 5 | 4 | 5 | 5 | 3 | 4 | 4 | 4.5 |
| Heineken | 5 | 4 | 4 | 4 | 4 | 5 | 4 | 4.4 |
| Royal Unibrew | 4 | 3 | 2 | 4 | 4 | 4 | 5 | 3.7 |
| Molson Coors | 5 | 3 | 3 | 3 | 3 | 3 | 1 | 3.4 |
| Diageo | 2 | 4 | 4 | 5 | 4 | 2 | 2 | 3.1 |
| Pernod Ricard | 1 | 4 | 4 | 5 | 4 | 1 | 1 | 2.6 |

Table 21: Peer Selection

Source. LSEG Workspace, 2026; own analysis

AB Carlsberg has identified InBev and Heineken as its primary counterparts due to their status as the most pertinent global reference points in terms of competitive positioning, product portfolio, and business model. All three are multinational brewing organizations that have a vast brand portfolio that includes mainstream and premium beer segments, as well as exposure to both mature and emerging markets. They also have significant international distribution networks. Simultaneously, AB InBev is the global scale leader with a cost-focused strategy, while Heineken exemplifies a more premium-oriented and geographically diversified model. In addition to similarities in scale, profitability, and leverage, these companies also exhibit comparable long-term growth expectations within the global brewing industry. Consequently, comparing Carlsberg to these two peers serves as an appropriate benchmark for evaluating relative scale, profitability, risk exposure, long-term growth prospects, and valuation, as well as capturing the pertinent strategic spectrum within the global brewing industry.

Appendix VII: SWOT Analysis

Strengths

Carlsberg's main strategic strength lies in its diverse portfolio of internationally recognized premium brands and strong local market leaders. In mature beer markets, this portfolio helps Carlsberg maintain pricing power, brand loyalty, and margin resilience (Euromonitor International, 2024; Carlsberg Group, 2025).

Following the consolidation of Britvic in 2025, the Group has further fortified its competitive position by expanding into alcohol-free beer and soft beverages through structural diversification. This decreases dependence on conventional beer volumes and increases exposure to non-alcoholic consumption occasions. The growing importance of no- and low-alcohol (NOLO) categories is consistent with the broader health-conscious consumer trend and is necessary for the long-term resilience of demand.

Carlsberg is also able to capitalize on its established distribution networks and strong regional market positions in Western Europe and select Asian markets, where it maintains leading positions. Furthermore, sustainability initiatives contribute to the enhancement of brand credibility and the establishment of long-term stakeholder alignment (Carlsberg Group, 2025).

Weaknesses

Carlsberg's procurement synergies and cost leadership advantages are restricted in comparison to those of its larger competitors due to its smaller global scope (World Economic Forum and McKinsey, 2025).

The Group's geographic exposure is primarily concentrated in Europe and a few Asian markets, with a relatively limited presence in high-growth regions like Africa and Latin America. This may impede long-term volume expansion and diminish diversification benefits (Euromonitor International, 2024).

Furthermore, the Group remains susceptible to structural stagnation in mature markets, despite the fact that portfolio diversification has been enhanced. Beer continues to generate a substantial portion of the Group's revenues. The integration of Britvic, in particular, introduces operational complexity and increased financial leverage, necessitating disciplined execution and capital management, specifically in the context of acquisition-driven expansion.

Opportunities

Carlsberg is advantageously situated to capitalize on the ongoing premiumization and structural expansion of alcohol-free beer, soft drinks, and related beverage categories. The diversification of NOLO's product line is consistent with the evolving health-conscious trends and consumer preferences in developed markets.

The long-term development potential of emerging markets in Asia and India is still being driven by favorable demographics and increasing disposable incomes. Furthermore, in premium and niche segments, digital sales channels and direct-to-consumer initiatives offer an opportunity to enhance margins and boost customer engagement.

Opportunities to increase profitability over time are also presented by operational synergies resulting from recent acquisitions and ongoing efficiency improvements (Carlsberg Group, 2025).

Threats

The Group is confronted with structural headwinds, including the intensification of competitive pressure from global brewers and local competitors, as well as the decline in beer consumption in mature markets. The industry's heightened antagonism and brand competition are evidenced by the increase in marketing expenditure (World Economic Forum and McKinsey, 2025).

Regulatory and taxation constraints associated with alcohol consumption, sustainability requirements, and advertising restrictions continue to be substantial risk factors. In addition, exposure to emerging markets introduces volatility in the form of macroeconomic, geopolitical, and currency factors.

Cost stability may be impacted by supply chain disruptions and commodity price fluctuations, particularly in the case of agricultural inputs and packaging materials. Lastly, acquisition-driven growth necessitates sustained operational discipline to prevent value erosion, as it increases financial leverage and integration risk.

Appendix VIII: Revenue Forecast

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|
| Revenue | | | | | | | | | | | | | | | | |
| Asia | 14,666 | 13,944 | 15,530 | 18,416 | 16,959 | 19,459 | 23,682 | 23,288 | 20,466 | 19,274 | 20,045 | 20,847 | 21,681 | 22,548 | 23,450 | 24,388 |
| <i>% of total revenue</i> | <i>23.42%</i> | <i>22.99%</i> | <i>24.85%</i> | <i>27.94%</i> | <i>28.97%</i> | <i>32.38%</i> | <i>33.70%</i> | <i>31.65%</i> | <i>27.28%</i> | <i>21.63%</i> | <i>21.71%</i> | <i>21.79%</i> | <i>21.87%</i> | <i>21.94%</i> | <i>22.02%</i> | <i>22.09%</i> |
| Central and Eastern Europe and India | 10,205 | 10,925 | 10,780 | 11,097 | 10,010 | 10,128 | 11,679 | 12,959 | 16,454 | 18,158 | 19,066 | 20,019 | 21,020 | 22,071 | 23,175 | 24,333 |
| <i>% of total revenue</i> | <i>16.30%</i> | <i>18.01%</i> | <i>17.25%</i> | <i>16.84%</i> | <i>17.10%</i> | <i>16.85%</i> | <i>16.62%</i> | <i>17.61%</i> | <i>21.94%</i> | <i>20.38%</i> | <i>20.65%</i> | <i>20.92%</i> | <i>21.20%</i> | <i>21.48%</i> | <i>21.76%</i> | <i>22.04%</i> |
| Not Allocated | 146 | 70 | 42 | 72 | 25 | 9 | 16 | 21 | 10 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| <i>% of total revenue</i> | <i>0.23%</i> | <i>0.12%</i> | <i>0.07%</i> | <i>0.11%</i> | <i>0.04%</i> | <i>0.01%</i> | <i>0.02%</i> | <i>0.03%</i> | <i>0.01%</i> | <i>0.01%</i> | <i>0.01%</i> | <i>0.01%</i> | <i>0.01%</i> | <i>0.01%</i> | <i>0.01%</i> | <i>0.01%</i> |
| Western Europe | 37,597 | 35,716 | 36,151 | 36,317 | 31,547 | 30,501 | 34,888 | 37,317 | 38,081 | 51,651 | 53,201 | 54,797 | 56,440 | 58,134 | 59,878 | 61,674 |
| <i>% of total revenue</i> | <i>60.05%</i> | <i>58.88%</i> | <i>57.84%</i> | <i>55.11%</i> | <i>53.89%</i> | <i>50.75%</i> | <i>49.65%</i> | <i>50.71%</i> | <i>50.77%</i> | <i>57.97%</i> | <i>57.62%</i> | <i>57.27%</i> | <i>56.92%</i> | <i>56.57%</i> | <i>56.22%</i> | <i>55.86%</i> |
| Total Revenue | 62,614 | 60,655 | 62,503 | 65,902 | 58,541 | 60,097 | 70,265 | 73,585 | 75,011 | 89,095 | 92,323 | 95,674 | 99,153 | 102,765 | 106,514 | 110,407 |

Table 22: Revenue Forecast by Regions

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|
| Revenue Asia | | | | | | | | | | | | | | | | |
| Beer | 13,391 | 12,680 | 14,251 | 16,671 | 15,021 | 17,100 | 20,855 | 20,250 | 17,783 | 16,768 | 17,439 | 18,137 | 18,862 | 19,391 | 20,167 | 20,730 |
| Other beverages | 1,275 | 1,264 | 1,279 | 1,745 | 1,938 | 2,359 | 2,827 | 3,038 | 2,683 | 2,506 | 2,606 | 2,710 | 2,818 | 3,157 | 3,283 | 3,658 |
| Premium beer | | | | | | | | | | 5,782 | 6,013 | 6,462 | 6,721 | 7,215 | 7,504 | 7,804 |
| Mainstream core beer | | | | | | | | | | 10,986 | 11,426 | 11,674 | 12,141 | 12,176 | 12,663 | 12,926 |
| Alcohol-free brews | | | | | | | | | | - | - | - | - | 225 | 234 | 244 |
| Beyond beer | | | | | | | | | | 193 | 200 | 208 | 217 | 225 | 234 | 244 |
| Soft drinks | | | | | | | | | | 2,313 | 2,405 | 2,502 | 2,602 | 2,706 | 2,814 | 3,170 |
| Other | | | | | | | | | | - | - | - | - | - | - | - |
| Revenue | 14,666 | 13,944 | 15,530 | 18,416 | 16,959 | 19,459 | 23,682 | 23,288 | 20,466 | 19,274 | 20,045 | 20,847 | 21,681 | 22,548 | 23,450 | 24,388 |
| Revenue Central and Eastern Europe and India | | | | | | | | | | | | | | | | |
| Beer | 9,695 | 10,290 | 10,134 | 10,384 | 9,429 | 9,356 | 10,715 | 11,532 | 14,885 | 14,526 | 15,253 | 16,015 | 16,816 | 17,657 | 18,308 | 18,737 |
| Other beverages | 510 | 635 | 646 | 713 | 581 | 772 | 964 | 1,427 | 1,569 | 3,632 | 3,813 | 4,004 | 4,204 | 4,414 | 4,867 | 5,597 |
| Premium beer | | | | | | | | | | 2,361 | 2,479 | 2,602 | 2,943 | 3,090 | 3,476 | 3,650 |
| Mainstream core beer | | | | | | | | | | 12,166 | 12,774 | 13,413 | 13,873 | 14,567 | 14,832 | 15,087 |
| Alcohol-free brews | | | | | | | | | | 726 | 763 | 801 | 841 | 883 | 1,159 | 1,460 |
| Beyond beer | | | | | | | | | | 726 | 763 | 801 | 841 | 883 | 927 | 1,217 |
| Soft drinks | | | | | | | | | | 2,179 | 2,288 | 2,402 | 2,522 | 2,649 | 2,781 | 2,920 |
| Other | | | | | | | | | | - | - | - | - | - | - | - |
| Revenue | 10,205 | 10,925 | 10,780 | 11,097 | 10,010 | 10,128 | 11,679 | 12,959 | 16,454 | 18,158 | 19,066 | 20,019 | 21,020 | 22,071 | 23,175 | 24,333 |
| Revenue Western Europe | | | | | | | | | | | | | | | | |
| Beer | 28,424 | 26,718 | 27,501 | 27,529 | 23,749 | 21,511 | 24,612 | 25,130 | 25,183 | 20,144 | 20,748 | 20,823 | 20,883 | 20,928 | 20,957 | 20,352 |
| Other beverages | 9,173 | 8,998 | 8,650 | 8,788 | 7,798 | 8,990 | 10,276 | 12,187 | 12,898 | 31,507 | 32,452 | 33,974 | 35,557 | 37,206 | 38,920 | 41,322 |
| Premium beer | | | | | | | | | | 4,649 | 4,788 | 5,480 | 6,208 | 6,395 | 7,185 | 7,401 |
| Mainstream core beer | | | | | | | | | | 15,495 | 15,960 | 15,343 | 14,675 | 14,533 | 13,772 | 12,952 |
| Alcohol-free brews | | | | | | | | | | 1,550 | 1,596 | 1,644 | 2,258 | 2,325 | 2,395 | 3,084 |
| Beyond beer | | | | | | | | | | 1,033 | 1,064 | 1,096 | 1,129 | 1,163 | 1,198 | 1,850 |
| Soft drinks | | | | | | | | | | 27,892 | 28,728 | 30,138 | 31,607 | 33,136 | 34,729 | 35,771 |
| Other | | | | | | | | | | 1,033 | 1,064 | 1,096 | 564 | 581 | 599 | 617 |
| Revenue | 37,597 | 35,716 | 36,151 | 36,317 | 31,547 | 30,501 | 34,888 | 37,317 | 38,081 | 51,651 | 53,201 | 54,797 | 56,440 | 58,134 | 59,878 | 61,674 |
| Revenue not allocated | 146 | 70 | 42 | 72 | 25 | 9 | 16 | 21 | 10 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Total Revenue | 62,614 | 60,655 | 62,503 | 65,902 | 58,541 | 60,097 | 70,265 | 73,585 | 75,011 | 89,095 | 92,323 | 95,674 | 99,153 | 102,765 | 106,514 | 110,407 |

Table 23: Revenue Forecast by Region & Product Mix

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Volume by category - Revenue Asia | | | | | | | | | | | | | | | | |
| Beer | 91% | 91% | 92% | 91% | 89% | 88% | 88% | 87% | 87% | 87% | 87% | 87% | 87% | 86% | 86% | 85% |
| Other beverages | 9% | 9% | 8% | 9% | 11% | 12% | 12% | 13% | 13% | 13% | 13% | 13% | 13% | 14% | 14% | 15% |
| Premium beer | | | | | | | | | | 30% | 30% | 31% | 31% | 32% | 32% | 32% |
| Mainstream core beer | | | | | | | | | | 57% | 57% | 56% | 56% | 54% | 54% | 53% |
| Alcohol-free brews | | | | | | | | | | | | 0% | 0% | 1% | 1% | 1% |
| Beyond beer | | | | | | | | | | 1% | 1% | 1% | 1% | 1% | 1% | 1% |
| Soft drinks | | | | | | | | | | 12% | 12% | 12% | 12% | 12% | 12% | 13% |
| Other | | | | | | | | | | | | | | | | |
| Check | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Volume by category - Central and Eastern Europe and India | | | | | | | | | | | | | | | | |
| Beer | 95% | 94% | 94% | 94% | 94% | 92% | 92% | 89% | 90% | 80% | 80% | 80% | 80% | 80% | 79% | 77% |
| Other beverages | 5% | 6% | 6% | 6% | 6% | 8% | 8% | 11% | 10% | 20% | 20% | 20% | 20% | 20% | 21% | 23% |
| Premium beer | | | | | | | | | | 13% | 13% | 13% | 14% | 14% | 15% | 15% |
| Mainstream core beer | | | | | | | | | | 67% | 67% | 67% | 66% | 66% | 64% | 62% |
| Alcohol-free brews | | | | | | | | | | 4% | 4% | 4% | 4% | 4% | 5% | 6% |
| Beyond beer | | | | | | | | | | 4% | 4% | 4% | 4% | 4% | 4% | 5% |
| Soft drinks | | | | | | | | | | 12% | 12% | 12% | 12% | 12% | 12% | 12% |
| Other | | | | | | | | | | | | | | | | |
| Check | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Volume by category - Western Europe | | | | | | | | | | | | | | | | |
| Beer | 76% | 75% | 76% | 76% | 75% | 71% | 71% | 67% | 66% | 39% | 39% | 38% | 37% | 36% | 35% | 33% |
| Other beverages | 24% | 25% | 24% | 24% | 25% | 29% | 29% | 33% | 34% | 61% | 61% | 62% | 63% | 64% | 65% | 67% |
| Premium beer | | | | | | | | | | 9% | 9% | 10% | 11% | 11% | 12% | 12% |
| Mainstream core beer | | | | | | | | | | 30% | 30% | 28% | 26% | 25% | 23% | 21% |
| Alcohol-free brews | | | | | | | | | | 3% | 3% | 3% | 4% | 4% | 4% | 5% |
| Beyond beer | | | | | | | | | | 2% | 2% | 2% | 2% | 2% | 2% | 3% |
| Soft drinks | | | | | | | | | | 54% | 54% | 55% | 56% | 57% | 58% | 58% |
| Other | | | | | | | | | | 2% | 2% | 2% | 1% | 1% | 1% | 1% |
| Check | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

Table 24: Volume by Category

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix IX: Cost of Sales

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Cost of Sales | | | | | | | | | | | | | | | | |
| Cost of Materials | 16,178 | 16,147 | 17,252 | 19,222 | 17,830 | 17,190 | 21,655 | 23,618 | 23,282 | 27,535 | 28,533 | 29,707 | 30,876 | 32,093 | 33,371 | 34,936 |
| % of revenue | 25.84% | 26.62% | 27.60% | 29.17% | 30.46% | 28.60% | 30.82% | 32.10% | 31.04% | 30.91% | 30.91% | 31.05% | 31.14% | 31.23% | 31.33% | 31.64% |
| Direct staff costs | 1,364 | 1,357 | 1,365 | 1,441 | 1,297 | 1,307 | 1,521 | 1,528 | 1,638 | 2,204 | 2,238 | 2,250 | 2,189 | 2,269 | 2,326 | 2,411 |
| % of revenue | 2.18% | 2.24% | 2.18% | 2.19% | 2.22% | 2.17% | 2.16% | 2.08% | 2.18% | 2.47% | 2.42% | 2.35% | 2.21% | 2.21% | 2.18% | 2.18% |
| Other Cost Of Sales | 13,653 | 12,943 | 12,666 | 12,601 | 11,053 | 13,031 | 15,022 | 15,607 | 15,711 | 19,120 | 19,573 | 19,948 | 20,632 | 21,384 | 22,164 | 22,974 |
| % of revenue | 21.81% | 21.34% | 20.26% | 19.12% | 18.88% | 21.68% | 21.38% | 21.21% | 20.94% | 21.46% | 21.20% | 20.85% | 20.81% | 20.81% | 20.81% | 20.81% |
| Cost Of Sales | 31,195 | 30,447 | 31,283 | 33,264 | 30,180 | 31,528 | 38,198 | 40,753 | 40,631 | 48,859 | 50,343 | 51,905 | 53,698 | 55,746 | 57,861 | 60,322 |
| % of revenue | 49.82% | 50.20% | 50.05% | 50.47% | 51.55% | 52.46% | 54.36% | 55.38% | 54.17% | 54.84% | 54.53% | 54.25% | 54.16% | 54.25% | 54.32% | 54.64% |

Table 25: Cost of Sales

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix X: Operating Expenses

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Sales and distribution expenses | | | | | | | | | | | | | | | | |
| Marketing expenses | 5,347 | 6,371 | 6,293 | 7,051 | 6,407 | 6,022 | 6,426 | 6,735 | 7,004 | 8,841 | 9,079 | 9,408 | 9,750 | 10,105 | 10,474 | 10,857 |
| % of revenue | 8.54% | 10.50% | 10.07% | 10.70% | 10.94% | 10.02% | 9.15% | 9.15% | 9.34% | 9.92% | 9.83% | 9.83% | 9.83% | 9.83% | 9.83% | 9.83% |
| Historic CAGR | | | | | | | | | | | | | | | | |
| Sales and distribution expenses | 13,129 | 10,773 | 11,181 | 10,775 | 8,966 | 8,850 | 10,911 | 11,620 | 12,238 | 14,287 | 14,989 | 15,725 | 16,495 | 17,301 | 18,145 | 19,029 |
| % of revenue | 20.97% | 17.76% | 17.89% | 16.35% | 15.32% | 14.73% | 15.53% | 15.79% | 16.31% | 16.04% | 16.24% | 16.44% | 16.64% | 16.84% | 17.04% | 17.24% |
| Historic CAGR | | | | | | | | | | | | | | | | |
| Sales and distribution expenses | 18,476 | 17,144 | 17,474 | 17,826 | 15,373 | 14,872 | 17,337 | 18,355 | 19,242 | 23,128 | 24,068 | 25,133 | 26,245 | 27,406 | 28,619 | 29,886 |
| % of revenue | 29.51% | 28.26% | 27.96% | 27.05% | 26.26% | 24.75% | 24.67% | 24.94% | 25.65% | 25.96% | 26.07% | 26.27% | 26.47% | 26.67% | 26.87% | 27.07% |
| Check | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Administrative expenses | | | | | | | | | | | | | | | | |
| Amortization of Intangibles in Administrative expenses | - | 262 | 124 | 171 | 78 | 98 | 108 | 68 | 73 | 105 | 152 | 158 | 163 | 169 | 175 | 182 |
| % of revenue | 0.00% | 0.43% | 0.20% | 0.26% | 0.13% | 0.16% | 0.15% | 0.09% | 0.10% | 0.12% | 0.16% | 0.16% | 0.16% | 0.16% | 0.16% | 0.16% |
| Historic CAGR | | | | | | | | | | | | | | | | |
| Depreciation in Administrative expenses | - | 202 | 173 | 258 | 284 | 228 | 267 | 290 | 321 | 328 | 317 | 329 | 341 | 353 | 366 | 379 |
| % of revenue | 0.00% | 0.33% | 0.28% | 0.39% | 0.49% | 0.38% | 0.38% | 0.39% | 0.43% | 0.37% | 0.34% | 0.34% | 0.34% | 0.34% | 0.34% | 0.34% |
| Historic CAGR | | | | | | | | | | | | | | | | |
| Staff costs in Administrative expenses | 2,239 | 2,098 | 2,433 | 2,192 | 1,902 | 1,905 | 2,132 | 2,147 | 2,146 | 2,790 | 3,011 | 3,121 | 3,234 | 3,352 | 3,474 | 3,601 |
| % of revenue | 3.58% | 3.46% | 3.89% | 3.33% | 3.25% | 3.17% | 3.03% | 2.92% | 2.86% | 3.13% | 3.26% | 3.26% | 3.26% | 3.26% | 3.26% | 3.26% |
| Historic CAGR | | | | | | | | | | | | | | | | |
| Administrative Expenses | 2,981 | 2,001 | 1,885 | 2,112 | 1,189 | 1,748 | 1,722 | 1,572 | 1,841 | 1,738 | 1,770 | 1,802 | 1,835 | 1,868 | 1,903 | 1,938 |
| % of revenue | 4.76% | 3.30% | 3.02% | 3.20% | 2.03% | 2.91% | 2.45% | 2.14% | 2.45% | 1.95% | 1.92% | 1.88% | 1.85% | 1.82% | 1.79% | 1.76% |
| Historic CAGR | | | | | | | | | | | | | | | | |
| Total Administrative Expenses | 5,220 | 4,563 | 4,615 | 4,733 | 3,453 | 3,979 | 4,229 | 4,077 | 4,381 | 4,961 | 5,250 | 5,409 | 5,573 | 5,743 | 5,918 | 6,100 |
| % of revenue | 8.34% | 7.52% | 7.38% | 7.18% | 5.90% | 6.62% | 6.02% | 5.54% | 5.84% | 5.57% | 5.69% | 5.65% | 5.62% | 5.59% | 5.56% | 5.53% |
| Check | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other operating activities | | | | | | | | | | | | | | | | |
| Gains and losses on disposal of property, plant and equipment and | (34) | 26 | 13 | 56 | 53 | 77 | 79 | 47 | 44 | 84 | 59 | 61 | 64 | 66 | 68 | 71 |
| % of revenue | -0.05% | 0.04% | 0.02% | 0.08% | 0.09% | 0.13% | 0.11% | 0.06% | 0.06% | 0.09% | 0.06% | 0.06% | 0.06% | 0.06% | 0.06% | 0.06% |
| Historic CAGR | | | | | | | | | | | | | | | | |
| Research centres | (104) | (120) | (127) | (133) | (123) | (95) | (107) | (132) | (142) | (152) | (169) | (175) | (181) | (188) | (195) | (202) |
| % of revenue | -0.17% | -0.20% | -0.20% | -0.20% | -0.21% | -0.16% | -0.15% | -0.18% | -0.19% | -0.17% | -0.18% | -0.18% | -0.18% | -0.18% | -0.18% | -0.18% |
| Historic CAGR | | | | | | | | | | | | | | | | |
| Other Operating Income/Expense - Balancing value | 336 | 207 | 182 | 185 | (81) | 93 | 96 | 209 | 136 | 617 | 255 | 264 | 274 | 284 | 294 | 305 |
| % of revenue | 0.54% | 0.34% | 0.29% | 0.28% | -0.14% | 0.15% | 0.14% | 0.28% | 0.18% | 0.69% | 0.28% | 0.28% | 0.28% | 0.28% | 0.28% | 0.28% |
| Historic CAGR | | | | | | | | | | | | | | | | |
| Total other operating activities | 198 | 113 | 68 | 108 | (151) | 75 | 68 | 124 | 38 | 549 | 145 | 151 | 156 | 162 | 168 | 174 |
| % of revenue | 0.32% | 0.19% | 0.11% | 0.16% | -0.26% | 0.12% | 0.10% | 0.17% | 0.05% | 0.62% | 0.16% | 0.16% | 0.16% | 0.16% | 0.16% | 0.16% |
| Check | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

Table 26: Operating Expenses

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix XI: Depreciation & Amortization

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Depreciation & amortization | | | | | | | | | | | | | | | | |
| Depreciation & amortization | (4,761) | (4,707) | (4,091) | (4,542) | (4,386) | (4,238) | (4,187) | (4,074) | (4,370) | (5,428) | (5,726) | (5,927) | (6,134) | (6,349) | (6,572) | (6,803) |
| Property, plant & equipment | | | | | | | | | | | | | | | | |
| Property, plant & equipment | | | | | | | | | | (4,590) | | | | | | |
| Carrying amount at 31 December | | | | | | | | | | 32,780 | | | | | | |
| Beginning property, plant & equipment | | | | | | | | | | | 32,780 | 33,408 | 34,071 | 34,773 | 35,513 | 36,295 |
| + Capex (PPE) | | | | | | | | | | 5,371 | 5,566 | 5,769 | 5,979 | 6,197 | 6,423 | |
| (Depreciation & amortization) | | | | | | | | | | (4,743) | (4,902) | (5,067) | (5,238) | (5,415) | (5,599) | |
| Ending property, plant & equipment | | | | | | | | | | 32,780 | 33,408 | 34,071 | 34,773 | 35,513 | 36,295 | 37,119 |
| Useful life (years) | | | | | | | | | | | | | | | | |
| Property, plant & equipment 2025 | | | | | | | | | | 32,780 | (4,590) | (4,590) | (4,590) | (4,590) | (4,590) | (4,590) |
| Capex 2026 | | | | | | | | | | 5,371 | (153) | (153) | (153) | (153) | (153) | (153) |
| Capex 2027 | | | | | | | | | | 5,566 | | (159) | (159) | (159) | (159) | (159) |
| Capex 2028 | | | | | | | | | | 5,769 | | | (165) | (165) | (165) | (165) |
| Capex 2029 | | | | | | | | | | 5,979 | | | | (171) | (171) | (171) |
| Capex 2030 | | | | | | | | | | 6,197 | | | | | (177) | (177) |
| Capex 2031 | | | | | | | | | | 6,423 | | | | | | (184) |
| Depreciation & amortization property, plant & equipment | | | | | | | | | | | (4,743) | (4,902) | (5,067) | (5,238) | (5,415) | (5,599) |
| Intangible assets | | | | | | | | | | | | | | | | |
| Intangible assets | | | | | | | | | | (943) | | | | | | |
| Carrying amount at 31 December | | | | | | | | | | 83,231 | | | | | | |
| Beginning intangible assets | | | | | | | | | | | 83,231 | 82,845 | 82,439 | 82,014 | 81,567 | 81,099 |
| + Capex (intangible assets) | | | | | | | | | | 597 | 618 | 641 | 664 | 689 | 714 | |
| (Depreciation & amortization) | | | | | | | | | | (983) | (1,024) | (1,067) | (1,111) | (1,157) | (1,205) | |
| Ending intangible assets | | | | | | | | | | 83,231 | 82,845 | 82,439 | 82,014 | 81,567 | 81,099 | 80,608 |
| Useful life (years) | | | | | | | | | | | | | | | | |
| Intangible assets 2025 | | | | | | | | | | 83,231 | (943) | (943) | (943) | (943) | (943) | (943) |
| Capex 2026 | | | | | | | | | | 597 | (40) | (40) | (40) | (40) | (40) | (40) |
| Capex 2027 | | | | | | | | | | 618 | | (41) | (41) | (41) | (41) | (41) |
| Capex 2028 | | | | | | | | | | 641 | | | (43) | (43) | (43) | (43) |
| Capex 2029 | | | | | | | | | | 664 | | | | (44) | (44) | (44) |
| Capex 2030 | | | | | | | | | | 689 | | | | | (46) | (46) |
| Capex 2031 | | | | | | | | | | 714 | | | | | | (48) |
| Depreciation & amortization intangible assets | | | | | | | | | | | (983) | (1,024) | (1,067) | (1,111) | (1,157) | (1,205) |

Table 27: Depreciation & Amortization

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix XII: Operating Working Capital & Cash Conversion Cycle

| | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Inventories | 3,963 | 3,834 | 4,435 | 4,751 | 4,613 | 5,391 | 5,718 | 5,811 | 5,953 | 7,110 | 7,326 | 7,553 | 7,814 | 8,112 | 8,420 | 8,778 |
| Trade receivables | 5,485 | 4,611 | 5,084 | 5,339 | 3,725 | 5,710 | 5,067 | 5,102 | 4,940 | 7,709 | 7,841 | 7,339 | 7,335 | 7,039 | 7,295 | 7,562 |
| Other receivables | 2,488 | 2,138 | 1,925 | 1,661 | 1,585 | 2,355 | 2,505 | 2,476 | 2,258 | 2,990 | 3,049 | 3,159 | 3,274 | 3,393 | 3,517 | 3,646 |
| Prepayments | 1,137 | 1,026 | 840 | 776 | 769 | 929 | 964 | 835 | 1,185 | 1,469 | 1,411 | 1,455 | 1,505 | 1,562 | 1,621 | 1,690 |
| Operating current assets | 13,073 | 11,609 | 12,284 | 12,527 | 10,692 | 14,385 | 14,254 | 14,224 | 14,336 | 19,278 | 19,627 | 19,506 | 19,928 | 20,106 | 20,854 | 21,676 |
| Trade payables | 13,497 | 13,474 | 16,199 | 17,149 | 16,598 | 20,642 | 21,917 | 22,159 | 23,317 | 26,877 | 28,211 | 29,086 | 30,091 | 31,238 | 32,424 | 33,802 |
| Deposits on returnable packaging materials | 1,681 | 1,576 | 1,583 | 1,545 | 1,276 | 1,504 | 1,627 | 1,717 | 1,728 | 1,702 | 1,764 | 1,828 | 1,894 | 1,963 | 2,035 | 2,109 |
| Provisions | 722 | 591 | 1,100 | 1,663 | 1,277 | 942 | 807 | 944 | 950 | 1,226 | 1,226 | 1,226 | 1,226 | 1,226 | 1,226 | 1,226 |
| Other liabilities | 8,233 | 7,645 | 7,488 | 7,843 | 7,414 | 12,677 | 13,503 | 13,020 | 8,098 | 8,178 | 8,474 | 8,782 | 9,101 | 9,433 | 9,777 | 10,134 |
| Operating current liabilities | 24,133 | 23,286 | 26,370 | 28,200 | 26,565 | 35,765 | 37,854 | 37,840 | 34,093 | 37,983 | 39,675 | 40,922 | 42,312 | 43,860 | 45,461 | 47,272 |
| Operating working capital | (11,060) | (11,677) | (14,086) | (15,673) | (15,873) | (21,380) | (23,600) | (23,616) | (19,757) | (18,705) | (20,048) | (21,415) | (22,384) | (23,754) | (24,607) | (25,595) |
| Δ OWC | | (617) | (2,409) | (1,587) | (200) | (5,507) | (2,220) | (16) | 3,859 | 1,052 | (1,343) | (1,367) | (969) | (1,370) | (853) | (988) |
| Days inventory outstanding (DIO) | 46 | 46 | 52 | 52 | 56 | 62 | 55 | 52 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 |
| Days sales outstanding (DSO) | 32 | 28 | 30 | 30 | 23 | 35 | 26 | 25 | 24 | 32 | 31 | 28 | 27 | 25 | 25 | 25 |
| Days payables outstanding (DPO) | 158 | 162 | 189 | 188 | 201 | 239 | 209 | 198 | 209 | 201 | 205 | 205 | 205 | 205 | 205 | 205 |
| Cash conversion cycle | (80) | (88) | (108) | (106) | (122) | (142) | (128) | (121) | (132) | (116) | (120) | (123) | (124) | (126) | (126) | (126) |

Table 28: Operating Working Capital & Cash Conversion Cycle

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix XIII: Capital Expenditures

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Capital expenditures | | | | | | | | | | | | | | | | |
| Acquisition of property, plant & equipment | 3,820 | 4,053 | 4,017 | 4,588 | 4,396 | 3,903 | 4,018 | 4,243 | 4,668 | 4,924 | 5,371 | 5,566 | 5,769 | 5,979 | 6,197 | 6,423 |
| <i>% of total capex</i> | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 92.80% | 88.05% | 90.00% | 90.00% | 90.00% | 90.00% | 90.00% | 90.00% |
| Acquisition of intangible assets | - | - | - | - | - | - | - | - | 362 | 668 | 597 | 618 | 641 | 664 | 689 | 714 |
| <i>% of total capex</i> | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 7.20% | 11.95% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| Capital expenditures | 3,820 | 4,053 | 4,017 | 4,588 | 4,396 | 3,903 | 4,018 | 4,243 | 5,030 | 5,592 | 5,968 | 6,185 | 6,409 | 6,643 | 6,885 | 7,137 |
| <i>% of revenue</i> | 6.10% | 6.68% | 6.43% | 6.96% | 7.51% | 6.49% | 5.72% | 5.77% | 6.71% | 6.28% | 6.46% | 6.46% | 6.46% | 6.46% | 6.46% | 6.46% |

Table 29: Capital Expenditures

Source: Carlsberg Group, 2025; own analysis

Appendix XIV: Net Debt & Leverage

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Leverage ratio | 2.3x | 1.8x | 1.8x | 1.7x | 2.1x | 2.0x | 1.8x | 2.6x | 2.4x | 3.8x | 3.5x | 3.1x | 2.8x | 2.4x | 2.0x | 1.8x |
| Current debt | 9,067 | 849 | 7,233 | 4,112 | 959 | 6,167 | 5,781 | 8,338 | 10,748 | 9,171 | 9,419 | 9,779 | 9,456 | 9,552 | 9,596 | 9,535 |
| Non-current debt | 21,137 | 23,340 | 16,750 | 20,879 | 29,291 | 22,755 | 22,865 | 30,763 | 27,392 | 61,452 | 57,033 | 51,402 | 47,496 | 41,307 | 34,228 | 29,969 |
| Gross debt | 30,204 | 24,189 | 23,983 | 24,991 | 30,250 | 28,922 | 28,646 | 39,101 | 38,140 | 70,623 | 66,452 | 61,182 | 56,952 | 50,858 | 43,824 | 39,504 |
| Cash and cash equivalents | 3,502 | 3,462 | 5,589 | 5,222 | 8,093 | 8,344 | 8,163 | 13,382 | 11,542 | 9,585 | 8,718 | 7,712 | 7,444 | 5,823 | 3,551 | 4,093 |
| Net debt | 26,702 | 20,727 | 18,394 | 19,769 | 22,157 | 20,578 | 20,483 | 25,719 | 26,598 | 61,038 | 57,734 | 53,469 | 49,508 | 45,035 | 40,273 | 35,411 |

Table 30: Net Debt & Leverage

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix XV: Income Statement

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---------------|---------------|---------------|---------------|---------------|---------------|----------------|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Income Statement | | | | | | | | | | | | | | | | |
| Revenue | 62,614 | 60,655 | 62,503 | 65,902 | 58,541 | 60,097 | 70,265 | 73,585 | 75,011 | 89,095 | 92,323 | 95,674 | 99,153 | 102,765 | 106,514 | 110,407 |
| Cost of sales | (31,195) | (30,447) | (31,283) | (33,264) | (30,180) | (31,528) | (38,198) | (40,753) | (40,631) | (48,859) | (50,343) | (51,905) | (53,698) | (55,746) | (57,861) | (60,322) |
| Gross profit | 31,419 | 30,208 | 31,220 | 32,638 | 28,361 | 28,569 | 32,067 | 32,832 | 34,380 | 40,236 | 41,980 | 43,770 | 45,456 | 47,019 | 48,653 | 50,085 |
| Sales and distribution expenses | (18,476) | (17,144) | (17,474) | (17,826) | (15,373) | (14,872) | (17,337) | (18,355) | (19,242) | (23,128) | (24,068) | (25,133) | (26,245) | (27,406) | (28,619) | (29,886) |
| Administrative expenses | (5,220) | (4,563) | (4,615) | (4,733) | (3,453) | (3,979) | (4,229) | (4,077) | (4,381) | (4,961) | (5,250) | (5,409) | (5,573) | (5,743) | (5,918) | (6,100) |
| Other operating activities | 198 | 113 | 68 | 108 | (151) | 75 | 68 | 124 | 38 | 549 | 145 | 151 | 156 | 162 | 168 | 174 |
| Share of profit after tax of associates | 324 | 262 | 130 | 278 | 315 | 336 | 901 | 581 | 616 | 660 | 728 | 754 | 782 | 810 | 840 | 871 |
| EBITDA | 13,006 | 13,583 | 13,420 | 15,007 | 14,085 | 14,367 | 15,657 | 15,179 | 15,781 | 18,784 | 19,261 | 20,060 | 20,710 | 21,191 | 21,695 | 21,947 |
| Depreciation & amortization | (4,761) | (4,707) | (4,091) | (4,542) | (4,386) | (4,238) | (4,187) | (4,074) | (4,370) | (5,428) | (5,726) | (5,927) | (6,134) | (6,349) | (6,572) | (6,803) |
| Operating profit before special items | 8,245 | 8,876 | 9,329 | 10,465 | 9,699 | 10,129 | 11,470 | 11,105 | 11,411 | 13,356 | 13,535 | 14,133 | 14,576 | 14,842 | 15,123 | 15,143 |
| Special items | 251 | (4,565) | (88) | 501 | (247) | 703 | (784) | (431) | (519) | (1,926) | - | - | - | - | - | - |
| Financial income | 919 | 511 | 358 | 360 | 373 | 571 | 347 | 695 | 959 | 1,136 | 930 | 930 | 930 | 930 | 930 | 930 |
| Financial expense | (2,166) | (1,299) | (1,080) | (1,098) | (784) | (956) | (1,072) | (1,539) | (1,864) | (3,516) | (2,982) | (2,746) | (2,556) | (2,282) | (1,967) | (1,773) |
| Profit before tax | 7,249 | 3,523 | 8,519 | 10,228 | 9,041 | 10,447 | 9,961 | 9,830 | 9,987 | 9,050 | 11,483 | 12,317 | 12,950 | 13,489 | 14,086 | 14,301 |
| Income tax | (2,392) | (1,458) | (2,386) | (2,751) | (2,233) | (2,154) | (1,778) | (1,859) | (1,982) | (2,072) | (2,584) | (2,710) | (2,784) | (2,833) | (2,958) | (3,003) |
| Profit from continuing operations | 4,857 | 2,065 | 6,133 | 7,477 | 6,808 | 8,293 | 8,183 | 7,971 | 8,005 | 6,978 | 8,899 | 9,607 | 10,166 | 10,657 | 11,128 | 11,297 |
| Net result from discontinued operations | - | - | - | - | - | (284) | (8,075) | (47,748) | 2,258 | - | - | - | - | - | - | - |
| Profit for the period | 4,857 | 2,065 | 6,133 | 7,477 | 6,808 | 8,009 | 108 | (39,777) | 10,263 | 6,978 | 8,899 | 9,607 | 10,166 | 10,657 | 11,128 | 11,297 |
| Non-controlling interests | 371 | 806 | 824 | 908 | 778 | 1,163 | 1,171 | 1,011 | 1,147 | 1,023 | 1,256 | 1,301 | 1,348 | 1,398 | 1,449 | 1,501 |
| Shareholders in Carlsberg A/S (net profit) | 4,486 | 1,259 | 5,309 | 6,569 | 6,030 | 6,846 | (1,063) | (40,788) | 9,116 | 5,955 | 7,644 | 8,306 | 8,817 | 9,259 | 9,680 | 9,796 |

Table 31: Income Statement

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix XVI: Balance Sheet

| DKK million | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Balance Sheet | | | | | | | | | | | | | | | | |
| Assets | | | | | | | | | | | | | | | | |
| Non-current assets | | | | | | | | | | | | | | | | |
| Intangible assets | 76,736 | 67,793 | 66,868 | 70,027 | 66,061 | 68,475 | 49,223 | 49,100 | 52,387 | 83,231 | 82,845 | 82,439 | 82,014 | 81,567 | 81,099 | 80,608 |
| Property, plant & equipment | 25,810 | 24,325 | 25,394 | 27,607 | 26,299 | 26,648 | 23,679 | 24,405 | 27,050 | 32,780 | 33,408 | 34,071 | 34,773 | 35,513 | 36,295 | 37,119 |
| Investments in associates | 4,701 | 4,266 | 4,562 | 4,364 | 4,188 | 5,172 | 5,523 | 5,437 | 4,674 | 4,325 | 4,930 | 5,620 | 6,406 | 7,251 | 7,515 | 7,790 |
| Receivables | 1,071 | 952 | 1,097 | 1,179 | 1,505 | 1,075 | 936 | 881 | 814 | 860 | 923 | 957 | 992 | 1,028 | 1,065 | 1,104 |
| Tax Assets | 1,610 | 1,663 | 1,693 | 1,938 | 1,767 | 1,922 | 1,731 | 1,810 | 2,056 | 2,511 | 2,554 | 2,647 | 2,743 | 2,843 | 2,946 | 3,054 |
| Total non-current assets | 109,928 | 98,999 | 99,614 | 105,115 | 99,820 | 103,292 | 81,092 | 81,633 | 86,981 | 123,707 | 124,660 | 125,734 | 126,927 | 128,201 | 128,920 | 129,675 |
| Current assets | | | | | | | | | | | | | | | | |
| Inventories | 3,963 | 3,834 | 4,435 | 4,751 | 4,613 | 5,391 | 5,718 | 5,811 | 5,953 | 7,110 | 7,326 | 7,553 | 7,814 | 8,112 | 8,420 | 8,778 |
| Trade receivables | 5,485 | 4,611 | 5,084 | 5,339 | 3,725 | 5,710 | 5,067 | 5,102 | 4,940 | 7,709 | 7,841 | 7,339 | 7,335 | 7,039 | 7,295 | 7,562 |
| Tax receivables | 278 | 181 | 213 | 199 | 211 | 171 | 214 | 356 | 410 | 386 | 351 | 363 | 377 | 390 | 405 | 419 |
| Other receivables | 2,488 | 2,138 | 1,925 | 1,661 | 1,585 | 2,355 | 2,505 | 2,476 | 2,258 | 2,990 | 3,049 | 3,159 | 3,274 | 3,393 | 3,517 | 3,646 |
| Prepayments | 1,137 | 1,026 | 840 | 776 | 769 | 929 | 964 | 835 | 1,185 | 1,469 | 1,411 | 1,455 | 1,505 | 1,562 | 1,621 | 1,690 |
| Deposits & securities | - | - | - | - | - | - | - | 2,236 | 59 | - | - | - | - | - | - | - |
| Cash & cash equivalents | 3,502 | 3,462 | 5,589 | 5,222 | 8,093 | 8,344 | 8,163 | 13,382 | 11,542 | 9,585 | 8,718 | 7,712 | 7,444 | 5,823 | 3,551 | 4,093 |
| Assets in disposal group held for sale | - | - | - | - | - | - | 11,618 | - | - | - | - | - | - | - | - | - |
| Retirement benefit assets | - | - | - | - | - | - | - | - | 999 | - | - | - | - | - | - | - |
| Total current assets | 16,853 | 15,252 | 18,086 | 17,948 | 18,996 | 22,900 | 34,249 | 30,198 | 26,347 | 30,248 | 28,695 | 27,582 | 27,749 | 26,320 | 24,809 | 26,189 |
| Assets held for sale | 125 | - | - | - | - | 191 | - | - | - | - | - | - | - | - | - | - |
| Total assets | 126,906 | 114,251 | 117,700 | 123,063 | 118,816 | 126,383 | 115,341 | 111,831 | 113,328 | 153,955 | 153,355 | 153,316 | 154,676 | 154,521 | 153,729 | 155,864 |
| Equity & liabilities | | | | | | | | | | | | | | | | |
| Equity | | | | | | | | | | | | | | | | |
| Share capital | 3,051 | 3,051 | 3,051 | 3,051 | 2,963 | 2,905 | 2,837 | 2,747 | 2,685 | 2,653 | 2,653 | 2,653 | 2,653 | 2,653 | 2,653 | 2,653 |
| Reserves | (29,501) | (33,485) | (36,837) | (33,651) | (40,824) | (37,817) | (41,711) | (2,819) | (496) | (3,194) | (3,194) | (3,194) | (3,194) | (3,194) | (3,194) | (3,194) |
| Retained earnings | 77,261 | 77,364 | 79,088 | 74,049 | 77,169 | 78,853 | 70,776 | 23,306 | 25,582 | 28,345 | 31,051 | 34,958 | 39,106 | 43,461 | 48,014 | 52,622 |
| Equity, shareholders in Carlsberg A/S | 50,811 | 46,930 | 45,302 | 43,449 | 39,308 | 43,941 | 31,902 | 23,234 | 27,771 | 27,804 | 30,510 | 34,417 | 38,565 | 42,920 | 47,473 | 52,081 |
| Non-controlling interests | 2,839 | 2,595 | 2,587 | 2,585 | 4,054 | 4,815 | 2,820 | 2,515 | 2,841 | 2,872 | 2,857 | 2,857 | 2,857 | 2,857 | 2,857 | 2,857 |
| Total equity | 53,650 | 49,525 | 47,889 | 46,034 | 43,362 | 48,756 | 34,722 | 25,749 | 30,612 | 30,676 | 33,366 | 37,274 | 41,421 | 45,776 | 50,330 | 54,937 |
| Non-current liabilities | | | | | | | | | | | | | | | | |
| Borrowings | 21,137 | 23,340 | 16,750 | 20,879 | 29,291 | 22,755 | 22,865 | 30,763 | 27,392 | 61,452 | 57,033 | 51,402 | 47,496 | 41,307 | 34,228 | 29,969 |
| Retirement benefit obligations | 4,878 | 3,351 | 2,908 | 3,299 | 2,934 | 2,345 | 1,557 | 1,387 | 1,304 | 1,297 | 1,294 | 1,291 | 1,289 | 1,286 | 1,283 | 1,281 |
| Tax liabilities | 6,250 | 5,601 | 5,659 | 6,447 | 6,265 | 6,350 | 4,841 | 4,823 | 4,744 | 8,675 | 7,559 | 7,576 | 7,594 | 7,613 | 7,633 | 7,655 |
| Provisions | 3,642 | 3,611 | 3,827 | 4,037 | 3,319 | 2,446 | 2,304 | 1,565 | 1,736 | 1,863 | 1,863 | 1,863 | 1,863 | 1,863 | 1,863 | 1,863 |
| Other liabilities | 3,199 | 3,757 | 6,186 | 9,056 | 5,196 | 449 | 305 | 314 | 1,495 | 1,446 | 1,410 | 1,389 | 1,375 | 1,361 | 1,347 | 1,334 |
| Total non-current liabilities | 39,106 | 39,660 | 35,330 | 43,718 | 47,005 | 34,345 | 31,872 | 38,852 | 36,671 | 74,733 | 69,159 | 63,521 | 59,616 | 53,430 | 46,355 | 42,102 |
| Current liabilities | | | | | | | | | | | | | | | | |
| Borrowings | 9,067 | 849 | 7,233 | 4,112 | 959 | 6,167 | 5,781 | 8,338 | 10,748 | 9,171 | 9,419 | 9,779 | 9,456 | 9,552 | 9,596 | 9,535 |
| Trade payables | 13,497 | 13,474 | 16,199 | 17,149 | 16,598 | 20,642 | 21,917 | 22,159 | 23,317 | 26,877 | 28,211 | 29,086 | 30,091 | 31,238 | 32,424 | 33,802 |
| Deposits on returnable packaging materials | 1,681 | 1,576 | 1,583 | 1,545 | 1,276 | 1,504 | 1,627 | 1,717 | 1,728 | 1,702 | 1,764 | 1,828 | 1,894 | 1,963 | 2,035 | 2,109 |
| Provisions | 722 | 591 | 1,100 | 1,663 | 1,277 | 942 | 807 | 944 | 950 | 1,226 | 1,226 | 1,226 | 1,226 | 1,226 | 1,226 | 1,226 |
| Tax payables | 935 | 931 | 878 | 999 | 925 | 1,350 | 1,012 | 1,052 | 1,204 | 1,392 | 1,736 | 1,820 | 1,870 | 1,903 | 1,987 | 2,018 |
| Other liabilities | 8,233 | 7,645 | 7,488 | 7,843 | 7,414 | 12,677 | 13,503 | 13,020 | 8,098 | 8,178 | 8,474 | 8,782 | 9,101 | 9,433 | 9,777 | 10,134 |
| Liabilities in disposal group held for sale | - | - | - | - | - | 4,100 | - | - | - | - | - | - | - | - | - | - |
| Total current liabilities | 34,135 | 25,066 | 34,481 | 33,311 | 28,449 | 43,282 | 48,747 | 47,230 | 46,045 | 48,546 | 50,830 | 52,521 | 53,639 | 55,315 | 57,044 | 58,824 |
| Liabilities associated with assets held for sale | 15 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | 73,256 | 64,726 | 69,811 | 77,029 | 75,454 | 77,627 | 80,619 | 86,082 | 82,716 | 123,279 | 119,988 | 116,042 | 113,255 | 108,745 | 103,400 | 100,926 |
| Total equity & liabilities | 126,906 | 114,251 | 117,700 | 123,063 | 118,816 | 126,383 | 115,341 | 111,831 | 113,328 | 153,955 | 153,355 | 153,316 | 154,676 | 154,521 | 153,729 | 155,864 |

Table 32: Balance Sheet

Source: LSEG Workspace, 2026; Carlsberg Group, 2025; own analysis

Appendix XVII: Other Balance Sheet Items

Non-current assets that are not directly associated with primary operating activities, such as investments in associates, long-term receivables, and tax assets, are projected as a percentage of revenue. This method guarantees proportional development in accordance with the overall growth of the business, without presuming structural changes in the intensity of non-operating assets. The projected taxable base and investment activity are the determinants of the evolution of deferred tax assets.

Non-current liabilities include provisions, retirement benefit obligations, tax liabilities, and other non-current liabilities. According to projections, the proportion of revenue allocated to retirement benefit obligations will progressively decrease by 0.2% annually. This assumption is indicative of the ongoing actuarial normalization, gradual resolution of legacy obligations, and the closed or maturing nature of defined benefit schemes in numerous markets. Tax liabilities are projected in proportion to deferred tax assets, thereby ensuring a consistent relationship between transient discrepancies on the asset and liability sides of the balance sheet.

Over the forecast horizon, other non-current liabilities experience a gradual decrease. These items, as listed in the annual report, consist of long-term contractual commitments, hedge-related obligations, and deferred acquisition-related liabilities. In the forecast period, these liabilities unwind gradually as transaction-driven items amortize, hedge positions mature, and long-term obligations are resolved or reclassified as current liabilities.

From a valuation perspective, these balance sheet items do not directly impact the calculation of free cash flow to the firm because they do not contribute to the company generating revenue through its primary operations. When comparing enterprise value to equity value, the latter is incorporated through the equity bridge. Non-current assets include long-term receivables and tax assets. These funds are not utilized within the business, and as such, they are incorporated into the equity bridge. Conversely, non-current liabilities, such as provisions, retirement benefit obligations, and tax liabilities, represent claims against the company and are thus deducted from the equity value. This approach ensures that the final equity valuation accurately reflects non-operating assets and liabilities without altering the enterprise value based on operating cash flow.

Appendix XVIII: Beta Regression Analysis

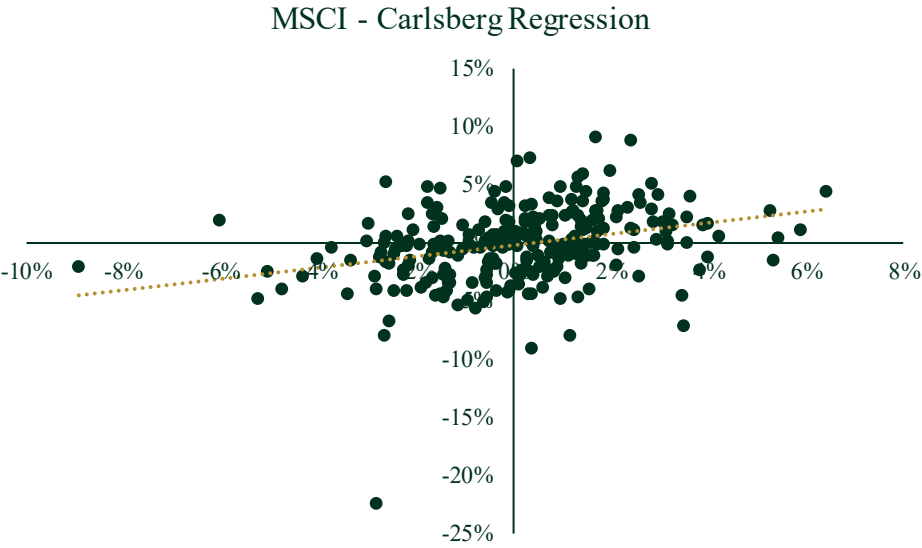


Figure 34: Beta Regression - MSCI

Source: LSEG Workspace, 2026; own analysis

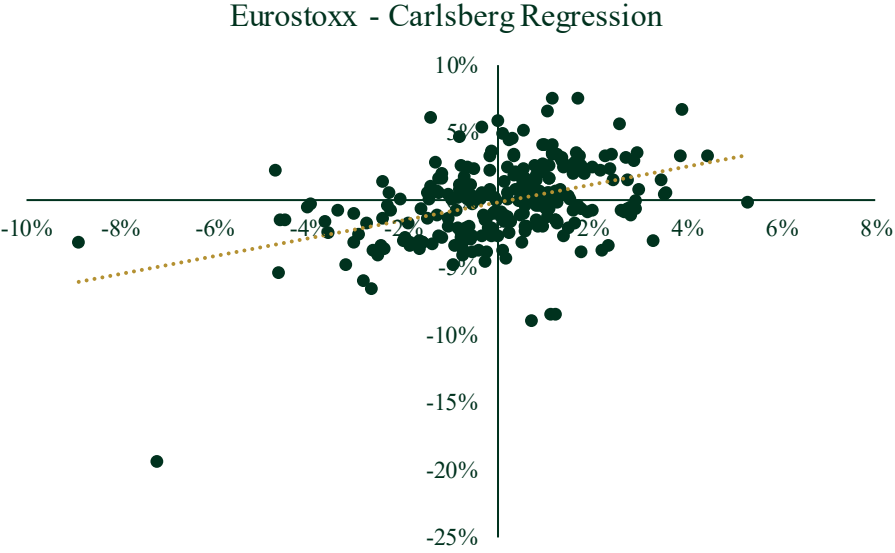


Figure 35: Beta Regression - Eurostoxx

Source: LSEG Workspace, 2026; own analysis

Appendix XIX: Bond Cost of Debt

| Description | Maturity Date | Relative amount | Weighted Maturity | Issued Amount (DKK) | Currency | Issue Date | Weighted Yield |
|--|---------------|-----------------|-------------------|-----------------------|---------------|-------------|----------------|
| CARLW / CARL 11-Mar-2026 | 11-Mar-2026 | 0.95% | 0.0018 | 597,571,294 | Euro | 11-Nov-2025 | 0.021 |
| CARLW / CARL 10-Apr-2026 | 10-Apr-2026 | 0.36% | 0.0010 | 224,089,235 | Euro | 25-Feb-2026 | 0.008 |
| CARLW / CARL 16-Apr-2026 | 16-Apr-2026 | 0.71% | 0.0021 | 448,178,471 | Euro | 23-Feb-2026 | 0.016 |
| CARLW / CARL 23-Apr-2026 | 23-Apr-2026 | 0.71% | 0.0022 | 448,178,471 | Euro | 20-Feb-2026 | 0.016 |
| CARLW / CARL 21-May-2026 | 21-Mai-2026 | 0.48% | 0.0018 | 298,785,647 | Euro | 11-Feb-2026 | 0.011 |
| CARLW / CARL 04-Jun-2026 | 04-Jun-2026 | 0.60% | 0.0025 | 373,482,059 | Euro | 04-Feb-2026 | 0.014 |
| CARLW / CARL 11-Jun-2026 | 11-Jun-2026 | 0.60% | 0.0026 | 373,482,059 | Euro | 02-Feb-2026 | 0.014 |
| CARLW / CARL 3.500 26-Nov-2026 '26 MTN | 26-Nov-2026 | 8.94% | 0.0808 | 5,602,230,885 | Euro | 26-Mai-2023 | 0.217 |
| CARLW / CARL 2.469 28-Feb-2027 FRN MTN | 28-Feb-2027 | 10.13% | 0.1176 | 6,349,195,003 | Euro | 28-Feb-2025 | 0.241 |
| CARLW / CARL 0.375 30-Jun-2027 '27 MTN | 30-Jun-2027 | 5.96% | 0.0891 | 3,734,820,590 | Euro | 30-Jun-2020 | 0.146 |
| CARLW / CARL 4.000 05-Oct-2028 '28 MTN | 05-Okt-2028 | 8.34% | 0.2306 | 5,228,748,826 | Euro | 05-Okt-2023 | 0.224 |
| CARLW / CARL 0.875 01-Jul-2029 '29 MTN | 01-Jul-2029 | 4.77% | 0.1669 | 2,987,856,472 | Euro | 01-Jul-2019 | 0.128 |
| CARLW / CARL 3.000 28-Aug-2029 '29 MTN | 28-Aug-2029 | 11.91% | 0.4361 | 7,469,641,180 | Euro | 28-Feb-2025 | 0.328 |
| CARLW / CARL 0.625 09-Mar-2030 '29 MTN | 09-Mar-2030 | 5.96% | 0.2496 | 3,734,820,590 | Euro | 09-Mar-2020 | 0.169 |
| CARLW / CARL 3.250 28-Feb-2032 '31 MTN | 28-Feb-2032 | 11.91% | 0.7345 | 7,469,641,180 | Euro | 28-Feb-2025 | 0.377 |
| CARLW / CARL 4.250 05-Oct-2033 '33 MTN | 05-Okt-2033 | 7.15% | 0.5553 | 4,481,784,708 | Euro | 05-Okt-2023 | 0.242 |
| CARLW / CARL 3.500 28-Feb-2035 '34 MTN | 28-Feb-2035 | 13.70% | 1.2561 | 8,590,087,357 | Euro | 28-Feb-2025 | 0.491 |
| CARLW / CARL 5.500 28-Feb-2039 '38 MTN | 28-Feb-2039 | 6.83% | 0.8990 | 4,279,290,230 | British Pound | 28-Feb-2025 | 0.376 |
| | | 100% | 4.8296 | 62,691,884,257 | | | 3.04% |

Table 33: Cost of Debt - Bonds

Source: LSEG Workspace, 2026; own analysis

The yields to maturity for bonds issued by Carlsberg cannot be directly compared due to the issuance of these bonds in currencies other than DKK, which are associated with distinct risk-free rates. In order to guarantee the uniformity of the DKK-based valuation framework, the yield spreads of each bond over the corresponding currency risk-free rate were initially ascertained. Subsequently, these spreads were incorporated into the Danish risk-free rate to derive a DKK-consistent estimate of the company's cost of debt. This approach entails the segregation of the credit spread component of the bond yields, while preserving currency consistency within the valuation framework.

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