



KARLSBERG

INTERIM REPORT AS OF 30 JUNE 2025

OF THE KARLSBERG BRAUEREI GMBH, HOMBURG (HGB)

Karlsberg Brauerei GmbH

Homburg

Interim Report as of 30 June 2025

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Note:

For computational reasons, rounding differences to the mathematically exact values (monetary units, percentages, etc.) may occur in tables and references in the report.

Karlsberg Brauerei GmbH

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Interim Report as of 30 June 2025

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Key indicators

Key facts

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Key indicators

Key figures in EUR million	HY 1/2025	HY 1/2024	HY 1/2023	HY 1/2022	HY 1/2021
Gross revenue ¹⁾	73.5	76.9	78.3	77.1	72.6
Investments (Intangible assets, property, plant and equipment and other loans)	3.4	5.3	8.7	5.2	4.0
EBITDA adj. ²⁾	8.5	9.2	10.3	10.3	9.5
Depreciation and amortisation	4.7	4.8	4.6	4.3	4.1
EBIT adj. ³⁾	3.8	4.4	5.8	6.0	5.4
Total assets	146.4	155.9	150.7	149.5	149.9
Equity	46.1	46.1	42.6	42.6	42.6
Equity ratio	31.5%	29.6%	28.3%	28.5%	28.4%
Net income before profit transfer	2.7	3.2	4.6	4.6	3.8
Employees (average number)	176	183	263	260	262
Personnel expenses (wages and salaries, social security contributions and post-employment costs)	6.9	6.5	9.5	9.8	9.7

¹⁾ Gross revenue = revenue before deduction of revenue reductions and excise duties.

²⁾ EBITDA adj. = EBIT adj. plus amortisation of intangible assets and depreciation of property, plant and equipment.

³⁾ EBIT adj. = earnings after taxes, plus taxes on income and earnings, plus interest and similar expenses, plus write-downs of long-term financial assets, less other interest and similar income, less income from other securities and loans classified as financial assets, plus extraordinary expenses from the pro rata allocation to pension provisions arising from the application of Art. 66 and 67 (1) to (5) EGHGB (Transitional Provisions to the German Accounting Law Modernisation Act (BilMoG)), plus/less material extraordinary expenses/income.

Note:

For computational reasons, rounding differences to the mathematically exact values (monetary units, percentages, etc.) may occur in tables and references in the report.

Key facts

Market share expanded, EBITDA moderately below previous year, Annual forecast adjusted

“While the German beer market experienced a noticeable decline in volume in the first half of the year, we were able to develop our business with the Karlsberg and MiXery brands solidly and gain market share. Our non-alcoholic segment performed particularly well, with revenue growth of around six percent, making it one of the growth drivers. However, declining exports and increased costs are weighing on earnings performance.”

Markus Meyer, Managing Director of Karlsberg Brauerei GmbH.

Gross revenue beverages¹⁾

Slightly below previous year

Against the market trend, the **Karlsberg** brand remained at the previous year's level.

Non-alcoholic products once again recorded significant revenue growth of **+5.9%**, with Karlsberg Grapefruit Non-Alcoholic in particular seeing revenue increase by **+23.6%**.

MiXery below previous year, **- 7.0%**.

Significant decline in revenues in **international business** of **-12.9%**.

Our brands

Market share expanded²⁾

Market shares of MiXery and Karlsberg expanded.

Top marks once again for five Karlsberg beers at this year's 'Finest Beer Selection' by Meininger & Doemens.

MiXery with the introduction of MiXery Cola-Beer Orange and MiXery Cola Orange lemonade in the second half of the year.

Adjusted EBITDA

Moderately below previous year

Adjusted EBITDA of **EUR 8.5 million**, below the previous year's level (EUR 9.2 million).

Investments

Expansion investment in technology

Investment in bottling in connection with the introduction of the new sleek can for the Bundaberg brand.

Forecast for the 2025 financial year

Adjustment of previous revenue and earnings forecast

Slight decline in revenue expected for the full year 2025.

Adjusted EBITDA moderately below the previous year's level expected.

¹⁾ Gross revenue = revenue before deduction of revenue reductions and excise duties.

²⁾ Sources:

NIQ, Category alcoholic beer mix, Germany LEH + DM + GAM + TS, YTD until 29 June 2025 (by revenue),
NIQ, Category Bier, Core Market LEH + DM + GAM + TS, YTD until 29 June 2025 (by revenue).

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Interim Management Report

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Interim management report

I. Basic information about the company

Business model

Karlsberg Brauerei GmbH is a family-run brewery rich in tradition. The company pursues a consumer-focused strategy of developing, producing and selling a broad range of alcoholic and non-alcoholic beverage brands. It focuses on the strategic brands Karlsberg and MiXery with a portfolio of beers, mixed beer drinks and non-alcoholic beers, along with a range of other own brands and brands from cooperation partners. This brand business is supplemented to a limited extent by

contract production, particularly for international customers.

II. Report on the economic position

Macroeconomic and sector-specific conditions

Overall economic situation

The German economy is stagnating. According to the Federal Statistical Office, economic output in the first two quarters remained unchanged in price-adjusted terms compared to the previous year.¹

Private consumer spending provided a slight positive impulse.² Developments in foreign trade compared to the same quarter of the previous year were mixed in the first half of 2025. While imports rose by 4.4%, exports remained almost at the previous year's level, with only a slight decline of 0.1%.³

According to preliminary data from the Federal Statistical Office, retail revenue rose by 2.9% in real terms and 3.9% in nominal terms from January to June 2025 compared to the previous year. Retail revenue of food, beverages and tobacco rose by 0.9% in real terms and 3.4% in nominal terms compared to the same period last year.⁴

According to the Federal Statistical Office, catering and accommodation companies saw a price-adjusted decline of 3.7% and a nominal decline of 0.1% in revenue in the first half of the year compared to the same period last year. In the catering sector, there was a price-adjusted decline

¹ Source: Press release from the Federal Statistical Office dated 30 July 2025.

² Source: Press release from the Federal Statistical Office dated 23 May 2025.

³ Source: Press release from the Federal Statistical Office dated 20 August 2025.

⁴ Source: Press release from the Federal Statistical Office dated 30 July 2025.

in revenue of 4.1% and a nominal increase of 0.1%. In the accommodation sector, revenue fell by 2.6% in price-adjusted terms and 0.2% in nominal terms during the period under review.⁵

Beer market

The year 2025 has been highly disappointing for the beer industry so far. The overall economic conditions and continuing consumer restraint have meant that, despite the good weather in spring and early summer, beer sales in the first half of the year fell short of brewers expectations.

According to the Federal Statistical Office, total sales (including exports) fell by 6.3% to 39.3 million hectolitres in the first six months. Domestic sales fell by 6.1% to 32.2 million hectolitres. German breweries' export business suffered even greater declines in sales. Overall, export sales fell by 7.1% to 7.1 million hectolitres. German breweries exported 5.0% less beer to EU countries than in 2024. Tax-free beer sales to countries outside the EU fell by 9.9%.⁶

Sales of alcoholic beer mix drinks fell by 3.5% in the first half of the year.

In contrast, sales of non-alcoholic beers, which are not included in the figures from the Federal Statistical Office, rose by 12.6% in the first six months of the year.⁷

Business performance

While the German beer market experienced a noticeable decline in volume in the first half of the year, the domestic brand business with the Karlsberg and MiXery brands developed solidly and gained market share.

The Karlsberg brand performed well in the market in the first half of the year and increased its market share in its main sales region.⁸ Revenue was almost on a par with the previous year. In the non-alcoholic products segment, the company continued its growth course with a 5.9% increase in revenue. Non-alcoholic products already account for 11.4% of Karlsberg brand revenue. In particular, Karlsberg Grapefruit Alkoholfrei (non-alcoholic) once again recorded significant growth of 23.6% following already high double-digit revenue growth in the previous year.

The MiXery brand slightly increased its market share in the national segment of alcoholic mixed beer drinks.⁹ However, revenue was 7.0% below the previous year's level.

Overall, gross revenue (revenue before deduction of revenue reductions and excise duties) at Karlsberg Brauerei GmbH fell by EUR 3.4 million (-4.5%) to EUR 73.5 million in the first half of the year.

Domestic gross beverage revenues amounted to EUR 60.7 million, down 2.7% on the previous year (EUR 62.4 million).

⁵ Source: Press release from the Federal Statistical Office dated 20 August 2025.

⁶ Source: Federal Statistical Office Wiesbaden, Beer sales statistics January to June 2025.

⁷ Source: NIQ; LEH + GAM, market share of beer types, period January to June 2025 (by sales).

⁸ Source: NIQ; Category Bier, Core Market LEH + DM + GAM + TS, YTD until 29 June 2025 (by revenue).

⁹ Quelle: NIQ; Category alcoholic beer mix, Germany LEH + DM + GAM + TS, YTD until 29 June 2025 (by revenue).

By contrast, gross beverage revenues in international business recorded a significant decline of 12.9% to EUR 9.9 million.

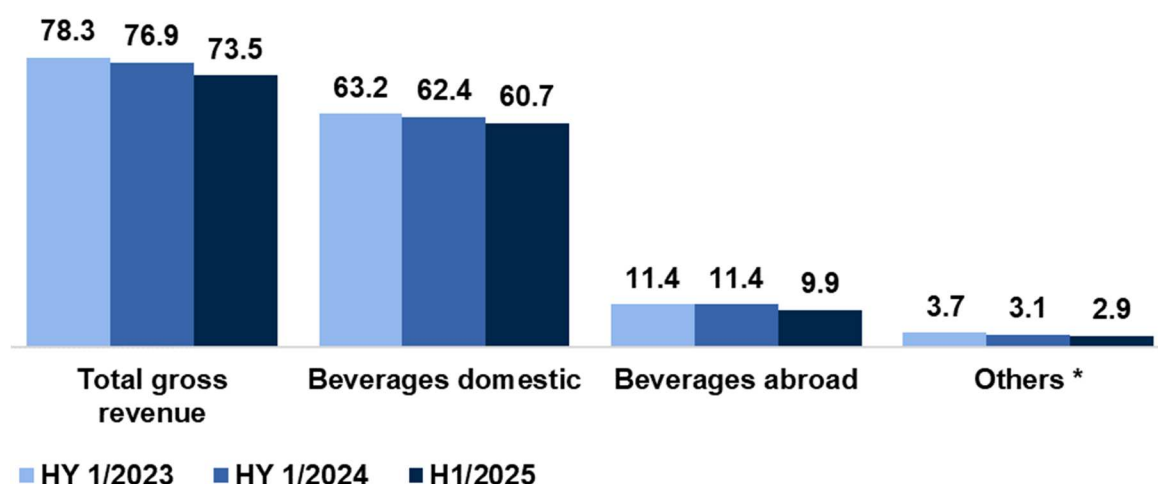
Other revenue of EUR 2.9 million, consisting mainly of rental and freight income, commissions, income from cost allocations and other income, was EUR 0.2 million below the previous year's level, mainly due to lower rental and freight income.

Overall, the focus in the first half of the year was increasingly on various marketing and sales activities in the brand business.

The MiXery brand expanded its product range and packaging variety in the first half of the year. For Bundaberg, the iconic Australian brand for premium brewed lemonades, all three varieties – Ginger Brew, Lemon Brew and Blood Orange Brew – were launched exclusively on the German market in the first half of the year in modern 0.33-litre sleek cans.

In addition, the French trend brand Slash, which has already achieved great success in France, was launched on the German market with the products Slash Mango and Slash Red.

Gross revenue (in EUR million):



* Other revenue: mainly rental and freight income, income from commissions, cost allocations and other income included.

Employees

In the first half of 2025, the average number of employees was 176 employees, slightly below the previous year's level (PY: 183 employees).

Results of operations

Karlsberg Brauerei GmbH's sales revenue (after deduction of excise duties) totalling EUR 58.4 million was around EUR 2.1 million below the previous year's figure (EUR 60.6 million) due to the business development in the first half of the year described above.

The cost of materials, including expenses for purchased services, amounted to EUR 20.2 million, which was EUR 3.0 million below the previous year's figure of EUR 23.2 million.

Taking into account an improved product mix, this resulted in only a slight decline in gross profit¹⁰ of EUR 0.4 million to EUR 38.0 million in the first half of the year.

Other operating income of EUR 1.3 million in the reporting year was significantly below the previous year's level (EUR 3.7 million), mainly due to income of EUR 1.3 million included in the previous year from cost allocations in connection with the bond issue, the offsetting items for which were mainly included in other operating expenses and therefore had no impact on earnings from an overall perspective. In addition, income from damage compensation payments and income from the adjustment of deposit provisions were below the figures for the first half of 2024.

Personnel expenses rose around EUR 0.4 million to EUR 6.9 million, taking into account wage adjustments.

Depreciation and amortization amounted to EUR 4.7 million (PY: EUR 4.8 million), taking scheduled depreciation and amortization and investments into account.

Other operating expenses decreased by a total of EUR 2.1 million to EUR 24.3 million, mainly due to one-off expenses incurred in the previous year in connection with bond refinancing and lower logistics costs.

The financial result of EUR -1.0 million in the first half of the year was on a par with the previous year.

The profit generated in the reporting period before profit transfer to Karlsberg Holding GmbH totalled EUR 2.7 million (PY: EUR 3.2 million).

At EUR 8.5 million (PY: EUR 9.2 million) and EUR 3.8 million (PY: EUR 4.4 million) respectively, the adjusted EBITDA¹¹ and adjusted EBIT¹² operating earnings figures were below the previous year's level, mainly due to declining exports, increased personnel expenses and other operating income significantly below the previous year's level.

Financial position

Due to the seasonal nature of business, the development of liquidity varies over the course of the year and demand is particularly high in the early summer months.

¹⁰ Gross profit = sales revenue after deduction of excise duties +/- change in inventories – cost of materials (incl. expenses for purchased services).

¹¹ Adjusted EBITDA = adjusted EBIT plus amortisation of intangible and depreciation of tangible fixed assets.

¹² Adjusted EBIT = earnings after taxes plus taxes on income and earnings, plus interest and similar expenses, plus write-downs on financial assets, less other interest and similar income, less income from other securities and loans classified as financial assets, plus extraordinary expenses from the pro rata allocation to pension provisions arising from the application of Art. 66 and 67 (1) to (5) EGHGB (Transitional Provisions to the German Accounting Law Modernisation Act (BilMoG)), plus/less significant extraordinary expenses/income.

Cash flow from operating activities, which in the same period of the previous year was still influenced by overall negative balance sheet effects in working capital, totalled EUR 9.2 million in the reporting period, significantly above the previous year's figure of EUR 5.7 million.

Taking into account the significant reduction in investment activity in the first half of the year, with total investments amounting to EUR 3.4 million (PY: EUR 5.3 million), changes in short-term financial management and interest received, **cash flow from investing activities** amounted to EUR -2.4 million (PY: EUR -7.5 million).

Cash flow from financing activities amounted to EUR -6.4 million in the reporting period (PY: EUR -2.4 million). This figure was significantly influenced in the previous year by the early redemption of the EUR 50.0 million bond issued in 2020 and by the inflow from the new bond issue in the amount of EUR 55.0 million. Further effects resulted from the outflow of the transfer of earnings from the net income generated in the previous year to Karlsberg Holding GmbH in the amount of EUR 5.1 million, the scheduled repayment of loans in the amount of EUR 0.5 million and interest payments in the amount of EUR 0.8 million.

The above explanations resulted in a total increase in **cash and cash equivalents** of EUR 0.4 million to EUR 4.0 million in the reporting period. As at 30 June 2025, the company had financing facilities of EUR 17.5 million at its disposal. Cash and cash equivalents amounted to EUR 4.0 million as at 30 June 2025. Sufficient free liquidity was available at all times in the first half of 2025. The company was able to fulfil its payment obligations at all times due to the available cash and cash equivalents as well as sufficient free credit lines.

Net assets

Karlsberg Brauerei GmbH's total assets of EUR 146.4 million on 30 June 2025 was around EUR 2.4 million above the value on the balance sheet date of 31 December 2024 (EUR 144.0 million) due to seasonal influences.

Fixed assets totalling EUR 80.8 million fell by around EUR 2.4 million in the reporting period. Investments totalled EUR 3.4 million in the first half of the year and were therefore significantly lower than in the previous year (EUR 5.3 million).

In the current year, investment activity focused on technical expansion investments in bottling in connection with the introduction of the new sleek can for the Bundaberg brand and in the control technology of a packaging machine.

In addition, another investment focus in the reporting period was on product packaging for the brands, in particular new crates and bottles.

Current assets increased by EUR 4.6 million to EUR 65.3 million in the reporting period due to seasonal factors, mainly influenced by higher trade receivables and increased other assets.

On the liabilities side, Equity remained unchanged at EUR 46.1 million due to the transfer of the net profit for the period in full to the shareholder. The equity ratio fell to 31.5% due to the seasonal increase in total assets (31 December 2024: 32.0%).

Provisions increased compared to the balance sheet date of 31 December 2024. Overall, the provisions increased by EUR 2.1 million to EUR 22.5 million. Provisions for pensions and similar obligations amounting to EUR 9.6 million decreased by around EUR 0.3 million, taking into account the increased discount rate. In contrast, other provisions totalling EUR 12.9 million rose by EUR 2.4 million due to seasonal factors.

Liabilities amounting to EUR 77.8 million changed only slightly compared to at last year's balance sheet date (31 December 2024: EUR 77.6 million).

III. Risk Report

The risk management system set up for the Carlsberg Group is continuously being developed and adapted to changing legal and operational requirements. In addition to identifying and monitoring risks, associated opportunities are also recognised.

The aim of risk management is to identify risks as early as possible, evaluate them, and prevent business losses or damage to the company by taking appropriate measures. At the same time, opportunities which can have a positive impact on the company's development should be identified.

A systematic risk management system has been set up within the Group for this purpose, which is geared towards the specific requirements and circumstances of the individual companies forming part of the Carlsberg Group.

The risk management system is interlinked with other Group management systems, in particular with planning, monthly reporting and quality assurance, both organisationally and technologically. This utilises the internal control system and ensures interdisciplinary exchange of information.

The risk analysis covers a planning horizon of one year.

The following risk areas are considered especially important for Carlsberg Brauerei GmbH:

- **Macroeconomic risks**
 - Economic risks
 - Inflation risks
 - Situation on the financial markets
- **Geopolitical risks**
 - High level of political and economic uncertainty
 - Further escalation of geopolitical conflicts
 - Increasing trade barriers, particularly as a result of US tariff policy, which are weighing on global growth
 - Regulatory intervention

- **Industry risks**
 - Influence of environmental and consumer groups on consumer behaviour
 - Adverse regulations and laws
 - Public discussion about the misuse of alcohol
 - Weather influences
 - Change in consumer behaviour
- **Market price risks**
 - Further significant price increases for raw materials and supplies as well as energy and logistics
 - Dependence on the purchasing behaviour and pricing of food retailers
- **Market risks**
 - Cancellation of purchase agreements with major customers (e.g. beverage wholesalers and large retailers)
 - Increasing competition
 - Increasing burdens on the catering industry (e.g. negative effects of the planned increase in the minimum wage, shortage of skilled labour, etc.)
 - No/late recognition of market trends and/or developments
- **Product, procurement and technical risks**
 - Quality and availability risks due to disruptions in the supply chain or poor harvests
 - Failure and incident risks in production and the associated possible failure to meet delivery capacity and/or product quality
 - Increased procurement risks due to supply bottlenecks for important primary products and supplier dependencies
 - Seasonal bottlenecks in empties and some raw materials, consumables and supplies
- **Environmental protection risks**
- **IT risks**
 - Unavailability of IT systems
 - Loss or manipulation of data
 - Disclosure of confidential data, in particular personal data
 - Cybercrime
 - Compliance violations
 - Failure to meet the requirements for internal control, organisational and risk monitoring structures.
 - Risks associated with the gradual modernisation of ERP software
- **Legal, regulatory and tax risks**
 - Risks from changes in company law

- Risks from legal disputes in the operating business, particularly in the areas of data protection, contract, tax, labour, competition and antitrust, trademark and patent, product liability and food law
 - Risks due to new regulations on sustainability
 - Risks due to inadequate protection of the brands used by the company or the company logo and product designations
 - Risks from changes to the respective tax laws and their jurisdiction as well as from different interpretations in the context of tax audits
- **HR risks**
 - Increasing requirements in the digitalised working environment
 - Adaptation risk: employees are incorrectly or insufficiently qualified
 - Motivation risk: work performance is held back
 - Loss of key specialists and managers
 - Strike risk: loss of production due to the exercise of the right to strike
 - Collective bargaining risk
 - Challenges in attracting and retaining qualified employees
- **Receivables risks**
 - Deterioration in the financial situation of borrowers and customers of the company
 - Risks of partial or complete default on contractually agreed payments or services
- **Credit, liquidity and financing risks**
 - **Risks from pension obligations**
 - **Risks in relation to the Group's legal integration**

Overall assessment

The management of Karlsberg Brauerei GmbH regularly reviews the company's risk situation. The risks described in detail in the 2024 management report could potentially have a material adverse effect on the company's earnings, net assets and financial position. The risk position has not changed significantly compared to the assessment in the 2024 annual financial statements.

In the reporting period, Karlsberg Brauerei GmbH performed well in the market from the management's perspective. In the course of business to date, no risks – either from individual risks or from the overall risk position of the company – arose that endangered the existence of the company or impaired its development and, according to the management's assessment, such risks are not expected in the prospective risk forecasting period of one year. The management does not expect the aforementioned risks to have any significant negative impact on the net assets, financial position and results of operations.

IV. Opportunities and forecast report

The opportunities and forecast report deals with the expected qualitative development of Karlsberg Brauerei GmbH and the business environment in the current year. The opportunities that could arise for Karlsberg Brauerei GmbH are also highlighted. Opportunities for the future development of the company are defined as short-term positive possibilities which are considered realizable under certain conditions.

There are planning uncertainties for the entire beverage industry and therefore also for Karlsberg Brauerei GmbH. Please refer to the risk report for a detailed presentation of the risks.

Opportunities report

Karlsberg Brauerei GmbH has a wide range of opportunities which support the company's long-term success. The main opportunities for the company and which have additional earnings potential are presented below.

- **Opportunities through brand expertise**
 - Utilisation of profit-oriented growth opportunities through a high-quality product range and fast decision-making processes
 - Clear brand management of the established brands to position them ideally in competition
 - Further increasing preference for the brands among consumers in the regional beer market, in the national and supra-regional beer mix and non-alcoholic segment thanks to an attractive and extensive product portfolio that is tailored to partners in the catering and retail sectors and their discerning customers
 - Growth opportunities through product innovations and innovative concepts
 - Growth opportunities through local, regional - in the beer mix segment and for partner brands also national - positioning of the brands in a high-quality environment
- **Opportunities through synergies**
 - Realisation of synergies through cooperation between Karlsberg Brauerei GmbH and other companies in the Karlsberg Group in the areas of sales, technology, logistics and administration with streamlined decision-making processes
 - Realisation of improved purchasing and delivery conditions in strategic purchasing cooperation by bundling procurement volumes
- **Opportunities through diversification**
 - Opportunities through a broadly diversified product portfolio, the occupation of different product categories and the presence in different markets and regions
- **Opportunities through digitalisation and intelligent data use**
 - Increased efficiency through digitalisation and the use of standardised IT systems, effective and efficient data management and the highest data quality and timeliness
 - IT use of sensors and the gradual networking of systems and machines within the procurement and production process

- Strengthening customer loyalty and connection in the commercial area of sales and marketing through new IT technologies: enabling personalised interactions and analysis of customer behaviour through centralised customer data and automated business processes to sustainably increase customer satisfaction.
- Digitalisation in the administrative area as the basis for efficient use of data and processes in order to continuously optimise operating cash flow
- Step-by-step and comprehensive modernisation and modularisation of ERP software to optimise business processes, increase process quality and stability, improve the database due to Group-wide harmonisation and standardisation of repetitive processes in all functional areas

Expansion of opportunity management

Potential opportunities for positive business development are evaluated and exploited at all levels of the company. Trends and developments are monitored in the respective product areas and operational opportunities identified. In addition, the company's long-term orientation and possible strategic options are analysed on a regular basis. If the probable profit exceeds the costs of the implementation, the company will carry out the project if it aligns with the overarching strategy. For this purpose, the company has set up an organisational structure which the management believes is characterised by lean structures and efficient processes. The tasks include seizing operational opportunities in the markets in which the company operates. The current marketing and sales strategy further strengthens the regional or national ties of the brands and their products and takes special account of the needs of business partners. The management of Karlsberg Brauerei GmbH, in cooperation with the corporate management of the Group, sets the strategic framework, secures financing and liquidity and focuses on monitoring and managing the operating business units. Project managers are therefore supported and provided with resources to capitalise on opportunities that are identified.

Forecast report

Following a further decline in German economic performance in 2024, some of the macroeconomic and geopolitical factors weighing on the **German economy** will continue to persist in the current year.

In its latest economic forecast, the Deutsche Bundesbank expects the economic recovery to slowly gain momentum. For 2025, it anticipates economic stagnation accompanied by a slowdown in inflation to 2.2 %.

However, the recovery of the German economy is likely to be delayed due to uncertainty about international trade policy. US tariffs and uncertainty about future US policy will continue to dampen economic growth. Fiscal measures should support the economy, but their effects will only be felt after a delay.¹³

The **beverage industry** continues to face challenges in the current year due to consumer restraint in retail and catering.

High production costs and ongoing weak consumption remain challenges that are likely to continue to affect the industry throughout the current year. The German Brewers' Association, the umbrella organisation for the brewing industry, is cautiously optimistic about the 2025 financial year. The

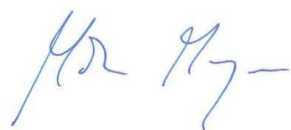
¹³ Source: Press release of the Deutsche Bundesbank dated 6 June 2025.

German brewing industry, with its predominantly craft and medium-sized businesses, has already demonstrated remarkable resilience in various crises in recent years.¹⁴

Karlsberg Brauerei GmbH's aim is to further expand its brand business in Germany and abroad. The company will continue to place its strategic focus on sustainable profitability, concentrating on high-margin brands and further expanding the market position of its brands Karlsberg and MiXery. To help expand market position, the company is focusing strongly on brand-oriented distribution expansion in the food retail sector and in the out-of-home industry. The MiXery brand portfolio will be expanded by two products in the second half of the year: MiXery Cola-Orange – a caffeinated orange lemonade with cola – and MiXery Cola-Beer Orange – a fruity beer mix with tangy cola-orange lemonade and 3.1% alcohol.

The forecast for 2025 is based on largely stable macroeconomic conditions. Considering the business performance in the first six months and taking into account current estimates for the second half of the year, the forecast for both revenue and adjusted EBITDA (both of which were predicted to rise slightly) for the full year 2025 cannot be maintained. A slight decline in revenue is expected for the 2025 financial year compared to the previous year. Management also expects adjusted EBITDA to be moderately below the previous year's level.

Homburg, 27 August 2025



Markus Meyer
Managing Director

¹⁴ Source: Press release from the German Brewers' Association dated 22 January 2025: 'Resilience in a challenging market'.

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Income Statement

	01.01. - 30.06.2025		01.01. - 30.06.2024
	EUR	EUR	kEUR
1. Sales revenue	61,165,933.05		63,314
./. Excise duties	-2,740,075.09		-2,746
Sales revenue after deduction of excise duties	58,425,857.96		60,568
2. Increase in finished goods inventories and work in progress	95,347.36		1,071
3. Other operating income	1,347,656.09		3,654
		59,868,861.41	65,293
4. Cost of materials			
a) Cost of raw materials, consumables and supplies and of purchased merchandise	19,166,238.55		21,455
b) Cost of purchased services	1,013,985.63		1,770
5. Personnel expenses			
a) Wages and salaries	5,724,131.49		5,419
b) Social security, post-employment and other employee benefit costs, thereof in respect of post-employment benefits EUR 82,753.24 (PY: kEUR 61)	1,176,687.91		1,043
6. Amortisation of intangible and depreciation of tangible fixed assets	4,703,402.29		4,823
7. Other operating expenses	24,276,346.74		26,424
thereof expenses from currency translation EUR 210.13 (PY: kEUR 0)			
thereof expenses from the application of Art. 66 and 67 (1) to (5) EGHGB (Transitional Provisions to BilMoG) EUR 0.00 (PY: kEUR 60)			
		56,060,792.61	60,933
8. Income from other securities and loans classified as financial assets thereof from affiliated companies EUR 934.76 (PY: kEUR 8)	22,958.46		26
9. Other interest and similar income thereof from affiliated companies EUR 1,258,225.81 (PY: kEUR 979)	1,464,246.30		1,298
10. Writedowns of long-term financial assets	63,892.01		22
11. Interest and similar expenses thereof to affiliated companies EUR 155,179.06 (PY: kEUR 142)	2,471,426.21		2,316
12. Taxes on income and earnings	312.66		3
		-1,048,426.12	-1,017
13. Profit after taxes		2,759,642.68	3,343
14. Other taxes		71,212.38	137
		2,688,430.30	3,206
15. Profits transferred on the basis of a profit transfer agreement		2,688,430.30	3,206
16. Net income for the year		0.00	0

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Short Cash Flow Statement

	01.01.- 30.06.2025 EUR	01.01.- 30.06.2024 kEUR
Cash flow from operating activities	9,232,966.67	5,671
Cash flow from investing activities	-2,365,237.51	-7,494
Cash flow from financing activities	-6,433,778.82	-2,359
Cash flow-relevant changes in cash and cash equivalents	433,950.34	-4,182
Cash and cash equivalents at the beginning of the period	3,566,943.68	7,894
Cash and cash equivalents at the end of the period	4,000,894.02	3,712
Components of cash and cash equivalents		
Cash on hand and bank balances	4,009,028.01	5,712
Short-term liabilities to credit institutions	-8,133.99	-2,000

Karlsberg Brauerei GmbH

Homburg

Interim Report as of 30 June 2025

Half-year Financial Statements

Notes to the Financial Statements

Disclosures on the half-year financial statements

General

The company is registered under the name Karlsberg Brauerei GmbH with registered office in Homburg in the Commercial Register of the Saarbrücken District Court under number HRB 17866.

These financial statements have been prepared in accordance with sections 242 et seq. and 264 et seq. of the German Commercial Code (HGB) and pursuant to the relevant provisions of the Law Concerning Companies with Limited Liability (GmbHG). The regulations for large corporations apply.

The income statement is structured in accordance with the nature of expense method pursuant to section 275 (2) HGB.

To improve the clarity of presentation, individual items in the balance sheet and income statement have been summarised and are therefore broken down and explained separately in these notes. For the same reason, the disclosures on belonging to other items and, in some cases, “thereof” notes have also been included here.

Even though the legal claim from the profit and loss transfer agreement with Karlsberg Holding GmbH had not yet arisen as at 30 June 2025, the profit and loss transfer was presented in the report as an expense from profit transfer in the interests of better comparability.

The interim financial statements as of 30 June 2025 have not been reviewed or audited within the meaning of Section 317 HGB.

Accounting policies

For the preparation of the half-year financial statements, the following, essentially unchanged accounting and valuation methods were applied.

Purchased intangible fixed assets and **tangible fixed assets** are capitalised at acquisition or production cost plus incidental acquisition costs less purchase price reductions. Scheduled depreciation and amortization are recognised on a straight-line basis over the useful life of the assets. The useful life for supply, trademark and other rights is between 3 and 15 years. The useful life of buildings and parts of buildings is between 15 and 50 years, and for technical equipment and machinery as well as other equipment, operating and office equipment between 3 and 20 years.

For the initial outfitting of newly introduced empty containers as well as for newly procured empty containers, the useful life is 4 years.

Besides direct costs, pro rata overheads are also included in the production costs of self-constructed property, plant and equipment.

Low-value assets up to a net individual amount of EUR 250.00 are fully amortised/depreciated or recognised as an expense in the year of acquisition; their immediate disposal was assumed. For low-value fixed assets with a purchase price of between EUR 250.00 and EUR 1,000.00, an annual compound item is created and amortised/depreciated over five years.

Depreciation of all other additions to property, plant and equipment is recognised on a pro rata temporis basis.

Under **financial assets**, shares in affiliated companies and share rights are recognised at the lower of cost or fair value in the event of expected permanent impairment, and loans are recognised at the lower of nominal value or fair value, including in the event of expected permanent impairment.

Inventories are reported at the lower of acquisition or production cost or current cost on the balance sheet date.

Inventories of **raw materials, consumables and supplies** are capitalized at the lower of average cost or current price or market price on the balance sheet date.

Work in progress and finished goods are valued at production cost on the basis of itemised costing based on current operating accounts, taking into account direct material costs, direct labour and special direct costs as well as production and material overheads and depreciation and amortisation. Interest on borrowed capital was not recognised in the production costs. General administration costs were not capitalised. In all cases, loss-free valuation was applied, i.e. deductions were made from the expected sales prices for costs still to be incurred.

Commodities are recognised at the lower of average cost or market price on the balance sheet date.

All recognisable risks in **inventories** arising from above-average storage periods, reduced usability and lower replacement costs are taken into account through appropriate write-downs.

Apart from customary reservations of title, inventories are free of third-party rights.

Receivables and other assets are recognised at nominal value. Depending on the maturity structure, flat-rate individual valuation allowances are recognised on trade receivables on an individual customer basis. Accordingly, a valuation allowance of 50 % is applied to receivables that are more than 90 days overdue. From 180 days overdue, a valuation allowance of 75 % is applied and from 360 days overdue, the valuation allowance is 100 %. General credit risk is recognized through a global valuation allowance on the net receivables portfolio adjusted for individually impaired receivables.

Cash on hand and bank balances are recognised at nominal value, as is equity.

Provisions for pensions and similar obligations and **provisions for in-kind obligations** as at 31 December 2024 were determined in accordance with actuarial principles on the basis of the projected unit credit method by applying the "Richttafeln 2018 G" drawn up by Prof. Dr. Klaus Heubeck.

As at 30 June 2025 the evaluation of the provisions for pensions and similar obligations was based on a forecast calculation using a discount rate of 2.02% (31 December 2024: 1.89%) and an expected pension trend of 2.00% (31 December 2024: 2.00%). The forecast calculation is based on the personnel data that was already used to calculate the obligation values in the balance sheet report as at 31 December 2024.

The plan assets falling within the definition of section 246 (2) sentence 2 HGB are recognised for pension commitments from salary conversion partially backed by reinsurance in accordance with the IDW RH FAB 1.021 accounting standard. The funding and vesting congruence of the partially reinsured pension commitments is measured using the policy reserve method. The reinsurance policies were valued on the basis of the principle of liability precedence.

Tax provisions and other provisions account for all uncertain liabilities and expected losses from pending transactions. They are recognised at the settlement amount deemed necessary based on prudent business judgement.

Liabilities are recognised at the settlement amount.

Deferred taxes are not recognised for Karlsberg Brauerei GmbH due to the existence of a consolidated tax group with Karlsberg Holding GmbH.

Notes to the balance sheet

Fixed assets

Changes in the individual fixed asset items, including depreciation and amortisation for the financial year, are shown in the statement of changes in fixed assets appended to the notes.

963,168 ordinary shares and 38,050 preference shares in Mineralbrunnen Überkingen-Teinach GmbH & Co. KGaA were recognised at acquisition prices of EUR 17.33 for the ordinary shares and EUR 14.50 for the preference shares in accordance with the valuation option under section 253 (3) sentence 6 HGB. The share price on the balance sheet date was EUR 19.20 for the ordinary shares and EUR 16.80 for the preference shares.

The carrying amount of the ordinary shares was therefore recognised at EUR 16,692 thousand, which was EUR 1,801 thousand below the fair value of EUR 18,493 thousand, while the carrying amount of the preference shares was EUR 552 thousand, which was EUR 87 thousand below the fair value of EUR 639 thousand.

Notes on shareholdings as of 30 June 2025

Company	Capital Share	Equity 31 Dec 2024	Profit/loss 2024
	%	kEUR	kEUR
Karlsbräu CHR S.A.S., Saverne / France	100.00	4,189	604
Mineralbrunnen Überkingen-Teinach GmbH & Co. KGaA, Bad Teinach-Zavelstein	13.15	80,204	9,543

Receivables and other assets

Other assets included receivables with a remaining term of more than one year of EUR 6,767 thousand (31 December 2024: EUR 5,371 thousand).

Receivables from affiliated companies of EUR 957 thousand (31 December 2024: EUR 933 thousand) relate to trade in goods and services.

As at the balance sheet date, there were receivables from shareholders of EUR 22,937 thousand (31 December 2024: EUR 24,674 thousand).

Equity

The company's subscribed capital, which has been paid up in full, was EUR 16,283 thousand as of 30 June 2025.

The other revenue reserves of EUR 45 thousand (31 December 2024: EUR 45 thousand) relate to amounts from the first-time application of the German Accounting Law Modernisation Act (BilMoG).

Provisions for pensions and similar obligations

The deficit to be accumulated in future periods in accordance with Art. 67 (2) EGHGB amounted to EUR -120 thousand.

In accordance with Art. 28 EGHGB, provisions for indirect pension obligations of the pension recipients of Karlsberg Brauerei GmbH, for which a subsidiary liability exists, are not recognised in the balance sheet of Versorgungswerk Karlsberg Brauerei e. V., Homburg.

The amount of the unrecognised indirect pension obligations, taking into account an actuarial interest rate of 4.50%, which corresponds to the average interest rate of the pension fund's plan assets, is EUR 4,344 thousand (31 December 2024: EUR 3,581 thousand). Based on an actuarial interest rate of 2.02% (31 December 2024: 1.89%) in accordance with section 253 (2) HGB, the amount is EUR 10,116 thousand (31 December 2024: EUR 9,353 thousand).

As at 31 December 2024 there were also indirect pension obligations of the provident fund of Lowenbrauerei Trier J. Mendgen GmbH, Homburg, amounting to EUR 168 thousand.

Other provisions

Other provisions mainly included provisions for deposits of EUR 3,143 thousand (31 December 2024: EUR 2,531 thousand), personnel costs of EUR 1,592 thousand (31 December 2024: EUR 1,054 thousand) and outstanding invoices, refunds and sales promotions of EUR 6,553 thousand (31 December 2024: EUR 5,581 thousand). In addition, other provisions for uncertain liabilities of EUR 1,339 thousand (31 December 2024: EUR 1,097 thousand) are recognised.

Liabilities

	Amount	Thereof with a remaining term		
	kEUR	under one year kEUR	from 1 to 5 years kEUR	over 5 years kEUR
1. Bonds (31 December 2024)	55,000 (55,000)	0 (0)	55,000 (55,000)	0 (0)
2. Liabilities to banks (31 December 2024)	1,426 (1,563)	297 (291)	562 (654)	568 (619)
3. Trade payables (31 December 2024)	8,763 (9,344)	8,763 (9,344)	0 (0)	0 (0)
4. Liabilities to affiliated companies (31 December 2024)	1,228 (160)	1,228 (160)	0 (0)	0 (0)
5. Other liabilities (31 December 2024)	11,364 (11,485)	8,163 (7,814)	3,178 (3,648)	23 (23)
<i>thereof from taxes</i> (31 December 2024)	<i>711</i> <i>(582)</i>	<i>711</i> <i>(582)</i>	<i>0</i> <i>(0)</i>	<i>0</i> <i>(0)</i>
<i>thereof relating to social security</i> (31 December 2024)	<i>28</i> <i>(26)</i>	<i>28</i> <i>(26)</i>	<i>0</i> <i>(0)</i>	<i>0</i> <i>(0)</i>
Total (31 December 2024)	77,782 (77,552)	18,452 (17,608)	58,740 (59,302)	590 (642)

The liabilities to banks amounting to EUR 1,426 thousand are collateralised by pledged shares.

Liabilities to affiliated companies include trade payables of EUR 1,228 thousand (31 December 2024: EUR 160 thousand).

Notes to the income statement

Sales revenue

Sales revenue (before deduction of excise duties) comprise:

	first half year 2025 kEUR	first half year 2024 kEUR
Revenue from own-brand beer / AFB-products / trade commodities	70,536	73,685
Revenue from cost allocations	507	404
Revenue from by-products	528	672
Revenue from rents and leases	1,307	1,366
Other revenue	581	767
Gross revenue*	73,458	76,894
Revenue reductions	-12,292	-13,581
Sales revenue before deduction of excise duties	61,166	63,314
thereof attributable to:		
Domestic	51,876	52,425
Foreign	9,290	10,889
	61,166	63,314

* Gross revenue = revenue before deduction of revenue reductions and excise duties

Prior-period and extraordinary income and expenses

Other operating income includes prior-period income of EUR 451 thousand (PY: EUR 483 thousand) and mainly relates to income from the reversal of provisions.

Other operating expenses and other taxes include expenses relating to other periods amounting to EUR 395 thousand (PY: EUR 351 thousand).

In addition, other operating income includes extraordinary income of EUR 231 thousand (PY: EUR 746 thousand) from damages received as a result of fire damage in an industrial complex rented and sublet by Carlsberg Brauerei GmbH in the 2019 reporting year. In this context, extraordinary expenses of EUR 231 thousand (PY: EUR 746 thousand) are included in various items of the income statement in the reporting period. Due to damage, planned sales revenue of 2 thousand (PY: 533 thousand) could not be realised. Extraordinary expenses for interest and similar expenses of EUR 229 thousand (PY: EUR 214 thousand) are recognised in the financial result.

Furthermore, extraordinary expenses of EUR 0 (PY: EUR 60 thousand) relate to the addition to pension provisions in accordance with Art. 67 (1) sentence 1 EGHGB, which are included in other operating expenses.

Financial result

The reduced interest expense of EUR 108 thousand (PY: EUR 271 thousand) due to the change in the actuarial interest rate in accordance with section 253 HGB was recognized in the financial result.

Other disclosures

Contingent liabilities and transactions not included in the balance sheet

Contingent liabilities

Karlsberg Brauerei GmbH has assumed a guarantee in favour of a landlord for three net cold rents up to an amount of EUR 21 thousand.

Other financial obligations

The financial obligations from leasing, raw material and service contracts existing as of 30 June 2025 until the end of the respective contracts amount to:

	Amount	Thereof with a remaining term		
		under one year	from 1 to 5 years	over 5 years
	kEUR	kEUR	kEUR	kEUR
Obligations from raw materials contracts	12,760	12,413	347	0
Obligations from leasing contracts	1,413	634	778	0
Other obligations	523	511	12	0
Total	14,695	13,558	1,137	0

There are also annual payment obligations from rental agreements and lease agreements of EUR 978 thousand. The contracts expire between 2025 and 2030.

The service agreement concluded with Karlsberg Connect & Sales GmbH as an affiliated company will result in an expense of approximately EUR 11,426 thousand in the 2025 financial year from cost allocations for management and services, in particular in the areas of sales (trade, export) and IT.

In addition, the service agreement concluded with Karlsberg Direkt GmbH & Co. KG is expected to result in expenses from cost allocations for internal logistics and materials management services of EUR 2,483 thousand in the 2025 financial year.

As at the reporting date 31 December 2024, there were contractual obligations arising from home consumption allowances for commitments granted before 1987 amounting to EUR 98 thousand.

To ensure the sustainable income of the plan assets of the pension fund Versorgungswerk Karlsberg Brauerei e.V., the sponsoring company Karlsberg Brauerei GmbH has committed itself to supplement the income each year, taking into account additional endowments that might be required, as well as dividend and interest income, in case the annual return of 4.5% on the status of the plan assets as at 1 January of the calendar year is not achieved.

Managing Director

Mr Markus Meyer.

The disclosure pursuant to section 285 no. 10 HGB results from the position held by the managing director.

In accordance with section 286 (4) HGB in conjunction with section 285 no. 9 HGB, the remuneration of the management is not disclosed, as only one managing director receives remuneration from the company.

Average number of employees during the financial year

	30 June 2025	30 June 2024
Industrial employees	119	128
Salaried employees	53	49
	172	177
Apprentices	4	6
	176	183

Group affiliation

The company's annual financial statements are included in the consolidated financial statements of Karlsberg Holding GmbH, Homburg, and published in the Federal Gazette (smallest consolidation group). These are part of the consolidated financial statements of Karlsbergbrauerei Kommanditgesellschaft Weber, Homburg, which are also published in the "Bundesanzeiger" (largest consolidation group).

Events after the reporting date

No events of particular significance occurred after the balance sheet date of 30 June 2025 that have a material financial impact on the net assets, financial position and results of operations of Karlsberg Brauerei GmbH.

Homburg, 27 August 2025

A handwritten signature in blue ink, appearing to read 'M. Meyer'.

Markus Meyer
Managing Director

Half-year Financial Statements
Development of Fixed Assets

	Acquisition and production costs				Accumulated amortisation/depreciation				Carrying amounts		
	01.01.2025 EUR	Additions EUR	Disposals EUR	Transfers EUR	30.06.2025 EUR	01.01.2025 EUR	Additions EUR	Disposals EUR	30.06.2025 EUR	30.06.2025 EUR	31.12.2024 EUR
I. Intangible assets											
Purchased concessions, industrial property rights and similar rights and assets als well as licences to such rights and assets	17,506,453.27	0.00	0.00	0.00	17,506,453.27	12,252,282.27	544,251.00	0.00	12,796,533.27	4,709,920.00	5,254,171.00
II. Tangible fixed assets											
1. Land, land rights and buildings, including buildings on third-party land	52,059,891.80	3,119.32	10,153.00	423,357.76	52,476,215.88	42,948,092.20	427,999.27	406.19	43,375,685.28	9,100,530.60	9,111,799.60
2. Technical equipment and machinery	107,323,950.70	610,595.19	1,288,902.02	402,094.53	107,047,738.40	86,184,207.79	1,231,287.94	1,282,420.02	86,133,075.71	20,914,662.69	21,139,742.91
3. Other equipment, operating and office equipment	57,716,832.82	1,439,662.38	164,626.80	9,777.70	59,001,646.10	46,420,561.82	2,499,864.08	163,958.80	48,756,467.10	10,245,179.00	11,296,271.00
4. Prepayments and assets under construction	1,722,766.34	142,802.42	0.00	-835,229.99	1,030,338.77	0.00	0.00	0.00	0.00	1,030,338.77	1,722,766.34
	218,823,441.66	2,196,179.31	1,463,681.82	0.00	219,555,939.15	175,552,861.81	4,159,151.29	1,446,785.01	178,265,228.09	41,290,711.06	43,270,579.85
III. Financial assets											
1. Shares in affiliated companies	31,769,562.57	0.00	0.00	0.00	31,769,562.57	0.00	0.00	0.00	0.00	31,769,562.57	31,769,562.57
2. Loans to affiliated companies	153,001.30	934.76	153,936.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	153,001.30
3. Long-term investments	1,406,087.83	0.00	0.00	0.00	1,406,087.83	1,380,487.83	0.00	0.00	1,380,487.83	25,600.00	25,600.00
4. Other loans	3,401,249.16	1,240,956.25	967,025.58	0.00	3,675,179.83	602,745.89	63,892.01	27,752.32	638,885.58	3,036,294.25	2,798,503.27
	36,729,900.86	1,241,891.01	1,120,961.64	0.00	36,850,830.23	1,983,233.72	63,892.01	27,752.32	2,019,373.41	34,831,456.82	34,746,667.14
	273,059,795.79	3,438,070.32	2,584,643.46	0.00	273,913,222.65	189,788,377.80	4,767,294.30	1,474,537.33	193,081,134.77	80,832,087.88	83,271,417.99

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