



Royal Unibrew and PepsiCo to end the partnership in Northern Europe upon expiry of current license agreements

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The license agreements between Royal Unibrew and PepsiCo covering Denmark (including German border trade), Finland, and the Baltic states will end upon expiry at the end of 2028. The partnership between Royal Unibrew and PepsiCo in BeNeLux will continue beyond 2028 in accordance with the applicable contracts.

PepsiCo has been an important partner for Royal Unibrew in Denmark, Finland, and the Baltic states for many years, and the collaboration has created substantial value. Royal Unibrew has delivered strong growth, and these markets are among the most successful markets for PepsiCo in Europe.

Royal Unibrew would have welcomed the opportunity to continue the partnership; however, it has not been possible to reach an agreement.

"PepsiCo has been a valued partner to us in Northern Europe for many years, and we are proud of what we have built together. While ending the partnership was not our preferred outcome, the contract expiry in 2028 will remove a number of structural constraints. This gives us flexibility to further accelerate the growth of our own brands and to explore new partnership opportunities," said Lars Jensen, CEO of Royal Unibrew. "Our own brands – with Faxe Kondi, Jaffa, and Novelle as strong examples – have consistently outperformed the soft drinks market in recent years and are expected to build further momentum. Backed by our well established multi-beverage model, our growth category framework, and our strong customer relationships, we have confidence in our ability to secure long-term growth."

Royal Unibrew will continue to operate the partnership business for the remainder of the contractual period in accordance with the agreement.

Royal Unibrew's multi-beverage strategy remains unchanged

Royal Unibrew's multi-beverage strategy is based on offering a broad and relevant portfolio of alcoholic and non-alcoholic beverages across our largest markets. The portfolio is anchored in strong local brands and supplemented by selected international and local partner brands. This diversified approach supports scale, operational leverage, and Royal Unibrew's position as the preferred local multi-beverage partner.

The multi beverage model is built on full strategic and commercial control of own brands, which is essential to long term value creation.

In recent years, our growth category framework has delivered growth exceeding that of the overall European beverage market. Most recently, growth has been driven primarily by our local brands, reflecting strong alignment with evolving consumer preferences, including reduced alcohol and sugar consumption. This performance reflects our high pace of innovation and development of flavor profiles tailored to local markets.

Royal Unibrew's multi-beverage strategy remains unchanged, and we will continue to offer a compelling and diverse beverage portfolio to our consumers and customers. This will, also beyond 2028, include a cola offering, as this continues to represent a significant, though gradually declining, share of the soft drink category.

Financial implications

The PepsiCo beverage business in Denmark (including German border trade), Finland, and the Baltic states currently accounts for approximately 13% of Royal Unibrew's net revenue. As current market trends are expected to continue and the Western European and International segments are expected to grow, this share is expected to decline toward the end of 2028.

From 2029, Royal Unibrew will no longer produce, sell, and distribute the PepsiCo portfolio in Denmark (incl. German border trade), Finland, and the Baltic states. The partnership with PepsiCo in BeNeLux is not affected and will continue beyond 2028 in accordance with the applicable agreements.

The loss of net revenue related to the partnership is expected to be partly compensated for by accelerated growth in our own brands. This reflects trends already evident today such as shifts in consumer demand toward local brands, including flavored carbonated soft drinks, local colas, and other non-alcoholic beverage categories. This is expected to be further supported by the removal of portfolio conflicts associated with the partnership.

While Royal Unibrew will accelerate the development of its own brands, partnerships will continue to be an important part of Royal Unibrew's strategy.

Ending the PepsiCo partnership in Denmark, Finland, and the Baltic states will free up production capacity at Royal Unibrew's sites, and capital expenditure is expected to be lower than under a continuation of the agreement. In addition, the margin profile of Royal Unibrew's own brands is structurally higher than that of licensed brands.

Royal Unibrew's long term organic EBIT growth target of 6–8% remains unchanged, and the Group expects to deliver EBIT growth in line with this target until end of 2028.

The expiry of the partnership is expected to result in a reduction in net revenue and volumes in 2029. The earnings impact comprises several elements, including the loss of revenue with EBIT margins close to the Group average as well as reduced scale effects.

Royal Unibrew expects to mitigate this impact by accelerating growth in own brands, cost reductions and efficiency initiatives, and potential new partnership agreements.

Based on current assumptions, we expect transition cost of approximately DKK 300m to support the acceleration of own brands from 2029, as well as to cover potential exit related costs associated with the ending of the partnership.

From 2030, we expect our growth formula to be back on track, with profitability, measured as absolute EBIT, exceeding 2028 levels.

Given the number of moving parts, and the fact that the effect of commercial mitigation initiatives may take time to materialize, forecasting the exact financial impact is subject to uncertainty.

Conference call and Q1 2026 trading statement

In light of this announcement, we have decided to publish our Q1 2026 trading statement earlier than planned. The Q1 2026 trading statement will be published later today, on April 21, 2026.

Management will host an audiocast on April 21, 2026, at 2:00 pm CEST. Investors and analysts can register at the following links:

Webcast: <https://edge.media-server.com/mmc/p/gyaatoxv>

Conference call (incl. Q&A): <https://register-conf.media-server.com/register/B11fd10c9f34bc4c46bc9f6b195fb8ee48>

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Attachment

- [RU Announcement 17 2026 final](#)