

## Heineken Holding N.V. reports on 2024 first-quarter trading

Amsterdam, 24 April 2024 – Heineken Holding N.V. (EURONEXT: HEIO; OTCQX: HKHHY) publishes its trading update for the first quarter of 2024.

### Key Highlights

- Revenue €8,184 million, up 7.2%
  - Net revenue (beia) organic growth 9.4%; per hectolitre 4.9%
  - Beer volume organic growth 4.7%
  - Premium beer volume organic growth 7.3%
  - Heineken<sup>®</sup> volume growth 12.9%
  - Gross merchandise value captured via eB2B platforms +17%
  - Outlook for the full year unchanged; operating profit (beia) expected to grow organically low- to high-single-digit.
- Heineken Holding N.V. engages in no activities other than its participating interest in Heineken N.V. and the management or supervision of and provision of services to that company.

### Financial Summary

Throughout this report figures refer to quarterly performance unless otherwise indicated.

**Revenue** in the first quarter was €8.2 billion, up 7.2%. **Net revenue (beia)** was €6.8 billion, up 9.4% organically. Total consolidated volume increased 4.3% and net revenue (beia) per hectolitre was up 4.9%. Price mix on a constant geographic basis increased by 6.0%, mainly driven by pricing and in line with inflation.

Currency translation reduced net revenue (beia) by €294 million or 4.6%, mainly driven by the devaluation of currencies in Africa, particularly the Nigerian Naira, and partially offset by a stronger Mexican Peso and Brazilian Real. Consolidation changes in net revenue (beia) contributed €164 million, driven by the integration of Distell and Namibia Breweries and partially offset by the sale of Vrumona in the Netherlands and HEINEKEN's exit from Russia.

IFRS Measures	€ million	Total growth	BEIA Measures <sup>1</sup>	€ million	Organic growth
Revenue	8,184	7.2%	Revenue (beia)	8,184	8.8%
Net revenue	6,847	7.3%	Net revenue (beia)	6,847	9.4%

<sup>1</sup> Consolidated figures are used throughout this report, unless otherwise stated. Please refer to the Glossary for an explanation of non-GAAP measures and other terms. Page 2 includes a reconciliation versus IFRS metrics. These non-GAAP measures are included in internal management reports that are reviewed by the Executive Board of Heineken N.V., as management believes that this measurement is the most relevant in evaluating the results and in performance management.

**Beer volume** increased 4.7% organically with growth in all regions, a sequential improvement in the performance of the business, boosted by calendar and one-off effects. In particular, the Americas and Europe regions benefitted from the earlier timing of Easter and the Africa & Middle East and Asia Pacific regions from a soft comparable base last year due to one-off effects in Vietnam and Nigeria.

#### Beer volume

(in mhl or %)	1Q23	1Q24	Organic growth
Heineken N.V.	54.8	55.4	4.7%

**Premium beer** volume grew by 7.3%, outperforming the total beer portfolio. The strong momentum in premiumisation was led by Heineken<sup>®</sup> and its line extensions, complemented by HEINEKEN's international and local premium brands, including Tiger, Desperados, Birra Moretti and Kingfisher Ultra.

**Heineken<sup>®</sup>** grew volume by 12.9%, with double-digit growth in more than 30 markets. **Heineken<sup>®</sup> 0.0** grew volume in the high-teens, with double-digit growth in all regions, led by Brazil, Vietnam and China. **Heineken<sup>®</sup> Silver** grew volume

by more than 50%, led by Vietnam and China.

**Heineken® volume**

<i>(in mhl or %)</i>	1Q23	1Q24	Organic growth
Heineken N.V.	12.2	<b>13.8</b>	12.9%

## Outlook

HEINEKEN continues to see the economic environment as challenging and uncertain, and HEINEKEN will remain agile and focused on strengthening its business in line with its EverGreen strategy. Despite the solid start to the year, HEINEKEN cannot extrapolate the reported top-line growth to the rest of the year. As planned, HEINEKEN will increase its investment behind its brands, innovations, commercial capabilities and route-to-consumer. All in all, HEINEKEN continues to expect operating profit (beia) to grow organically by a low- to high-single-digit and net profit (beia) organic growth lower than the operating profit (beia) organic growth.

## Translational Currency Calculated Impact

Based on the impact to date, and applying spot rates of 22 April 2024 to the 2023 financial results as a baseline for the remainder of the year, the calculated negative currency translational impact for the full year of 2024 would be approximately €640 million in net revenue (beia), €90 million at operating profit (beia) and positive €20 million at net profit (beia).

## Reconciliation of non-GAAP measures

In internal managerial reports, HEINEKEN uses the metrics net revenue (beia) and net revenue (beia) organic growth.

**Reconciliation net revenue (beia) and net revenue (beia) organic growth**

<b>1Q22</b>	Reported	Eia	Beia	Currency translation	Consolidation impact	Organic Growth	Organic Growth %
Revenue	6,989	—	6,989	200	432	1,213	23.6%
Excise tax expense	-1,236	—	-1,236	-13	-243	-142	-17.0%
Net revenue	5,753	—	5,753	186	189	1,071	24.9%
<b>1Q23</b>	Reported	Eia	Beia	Currency translation	Consolidation impact	Organic Growth	Organic Growth %
Revenue	7,632	-1	7,631	89	12	540	7.7%
Excise tax expense	-1,253	—	-1,253	14	-3	-28	-2.3%
Net revenue	6,379	-1	6,378	103	10	512	8.9%
<b>1Q24</b>	Reported	Eia	Beia	Currency translation	Consolidation impact	Organic Growth	Organic Growth %
Revenue	8,184	—	8,184	-328	209	672	8.8%
Excise tax expense	-1,337	—	-1,337	34	-45	-73	-5.8%
Net revenue	6,847	—	6,847	-294	164	599	9.4%

Note: due to rounding, this table will not always cast

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## Conference Call Details

HEINEKEN will host an analyst and investor conference call with Harold van den Broek, Chief Financial Officer, in relation to its First Quarter 2024 Trading Update at 14:00 CET/13:00 GMT. This call will also be accessible for Heineken Holding N.V. shareholders. The call will be audio cast live via the website: [www.theheinekencompany.com](http://www.theheinekencompany.com). An audio replay service will also be made available after the conference call at the above web address. Analysts and investors can dial-in using the following telephone numbers:

United Kingdom: +44 203 936 2999

Netherlands: +31 85 888 7233

United States: +1 646 787 9445

All other locations: +44 203 936 2999

For the full list of dial in numbers, please refer to the following link: [Global Dial-In Numbers](#)

Participation password for all countries: 655905

*Editorial information:*

Heineken Holding N.V. engages in no activities other than its participating interest in Heineken N.V. and the management or supervision of and provision of services to that company.

HEINEKEN is the world's most international brewer. It is the leading developer and marketer of premium and non-alcoholic beer and cider brands. Led by the Heineken® brand, the Group has a portfolio of more than 350 international, regional, local and specialty beers and ciders. With HEINEKEN's over 90,000 employees, HEINEKEN brews the joy of true togetherness to inspire a better world. HEINEKEN's dream is to shape the future of beer and beyond to win the hearts of consumers. HEINEKEN is committed to innovation, long-term brand investment, disciplined sales execution and focused cost management. Through "Brew a Better World", sustainability is embedded in the business. HEINEKEN has a well-balanced geographic footprint with leadership positions in both developed and developing markets. HEINEKEN operates breweries, malteries, cider plants and other production facilities in more than 70 countries. Most recent information is available on the websites: [www.heinekenholding.com](http://www.heinekenholding.com) and [www.theHEINEKENcompany.com](http://www.theHEINEKENcompany.com) and follow HEINEKEN on [LinkedIn](#), [Twitter](#) and [Instagram](#).

**Market Abuse Regulation**

This press release may contain price-sensitive information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

*Disclaimer:*

This press release contains forward-looking statements based on current expectations and assumptions with regard to the financial position and results of HEINEKEN's activities, anticipated developments and other factors. All statements other than statements of historical facts are, or may be deemed to be, forward-looking statements. Forward-looking statements also include, but are not limited to, statements and information in HEINEKEN's non-financial reporting, such as HEINEKEN's emissions reduction and other climate change related matters (including actions, potential impacts and risks associated therewith). These forward-looking statements are identified by their use of terms and phrases such as "aim", "ambition", "anticipate", "believe", "could", "estimate", "expect", "goals", "intend", "may", "milestones", "objectives", "outlook", "plan", "probably", "project", "risks", "schedule", "seek", "should", "target", "will" and similar terms and phrases. These forward-looking statements, while based on management's current expectations and assumptions, are not guarantees of future performance since they are subject to numerous assumptions, known and unknown risks and uncertainties, which may change over time, that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond HEINEKEN's ability to control or estimate precisely, such as but not limited to future market and economic conditions, the behaviour of other market participants, changes in consumer preferences, the ability to successfully integrate acquired businesses and achieve anticipated synergies, costs of raw materials and other goods and services, interest-rate and exchange-rate fluctuations, changes in tax rates, changes in law, environmental and physical risks, change in pension costs, the actions of government regulators and weather conditions. These and other risk factors are detailed in HEINEKEN's publicly filed annual reports. You are cautioned not to place undue reliance on these forward-looking statements, which speak only of the date of this press release. HEINEKEN assumes no duty to and does not undertake any obligation to update these forward-looking statements contained in this press release. Market share estimates contained in this press release are based on outside sources, such as specialised research institutes, in combination with management estimates.

## Glossary

®

All brand names mentioned in this report, including those brand names not marked by an ®, represent registered trademarks and are legally protected.

### Acquisition-related intangible assets

Acquisition-related intangible assets are assets that HEINEKEN only recognises as part of a purchase price allocation following an acquisition. This includes, among others, brands, customer-related and certain contract-based intangibles.

### Beia

Before exceptional items and amortisation of acquisition-related intangible assets. Whenever used in this report, the term “beia” refers to performance measures before exceptional items and amortisation of acquisition related intangible assets.

### Beyond beer

Alcoholic and non-alcoholic beverage propositions beyond core beer, which leverage natural ingredients and/or beer production process. This includes for example flavoured beer, ciders, RTDs (Ready-To-Drink) and malt-based drinks.

### Consolidation changes

Changes as a result of acquisitions, disposals, internal transfer of businesses or other reclassifications.

### Depletions

Sales by third-party distributors to the retail trade.

### Eia

Exceptional items and amortisation of acquisition-related intangible assets.

### Exceptional items

Items of income and expense of such size, nature or incidence, that in the view of management their disclosure is relevant to explain the performance of HEINEKEN for the period.

### Gross merchandise value

Value of all products sold via our eB2B platforms. This includes our own and third-party products, including all duties and taxes.

### HEINEKEN or “the Group”

Heineken Holding N.V., Heineken N.V., its subsidiaries and interests in joint ventures and associates.

### Net profit

Profit after deduction of non-controlling interests (profit attributable to shareholders' of the Company).

### Net revenue

Revenue as defined in IFRS 15 (after discounts) minus the excise tax expense for those countries where the excise is borne by HEINEKEN.

### Net revenue per hectolitre

Net revenue divided by total consolidated volume, excluding inter-company transactions.

### Organic growth

Growth excluding the effect of foreign currency translational effects, consolidation changes, exceptional items and amortisation of acquisition-related intangible assets.

### Organic growth %

Organic growth divided by the related prior year beia amount. Whenever used in this report, the term “organically” refers to the organic growth % of the related performance measures.

### Price mix on a constant geographic basis

Refers to the different components that influence net revenue per hectolitre, namely the changes in the absolute price of each individual sku and their weight in the portfolio. The weight of the countries in the total revenue in the base year is kept constant.

### Region

A region is defined as HEINEKEN's managerial classification of countries into geographical units.

### Volume (all volume metrics exclude inter-company transactions)

#### Beer volume

Beer volume produced and sold by consolidated companies.

#### Brand specific volume (Heineken® volume, Amstel® volume, etc.)

Brand volume produced and sold by consolidated companies plus 100% of brand volume sold under licence agreements by joint ventures, associates and third parties.

#### Group beer volume

The sum of beer volume, licensed beer volume and attributable share of beer volume from joint ventures and associates.

#### Licensed beer volume

100% of volume from HEINEKEN's beer brands sold under licence agreements by joint ventures, associates and third parties.

#### LONO

Low- and non-alcoholic beer, cider & brewed soft drinks with an ABV<=3.5%.

#### Non-beer volume

Cider, soft drinks and other non-beer volume produced and sold by consolidated companies.

#### Premium beer

Beer sold at a price index equal or greater than 115 relative to the average market price of beer.

#### Third-party products volume

Volume of third-party products (beer and non-beer) resold by consolidated companies.

#### Total consolidated volume

The sum of beer volume, non-beer volume and third-party products volume.