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ADVERTISEMENT. This announcement is an advertisement relating to the intention of the Company (as defined below) to proceed with the Offer (as defined below) and the Admission (as defined below). This announcement does not constitute a prospectus. This announcement is for information purposes only and is not intended to constitute, and should not be construed as, an offer to sell or a solicitation of any offer to buy Shares (as defined below) in any jurisdiction, including the United States, Canada, Australia, South Africa or Japan.

If and when the Offer is launched, further details about the Offer and the Admission will be included in the Prospectus (as defined below). Once the Prospectus has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the “AFM”), the Prospectus will be published and made available at no cost at the start of the offer period through the corporate website of the Company (www.jdepeets.com), subject to securities law restrictions in certain jurisdictions. An offer to acquire Shares pursuant to the Offer will be made, and any potential investor should make their investment, solely on the basis of information that will be contained in the Prospectus. Potential investors should read the Prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the Shares. The approval of the Prospectus by the AFM should not be understood as an endorsement of the quality of the Shares and the Company (as defined below).



JDE PEET'S ANNOUNCES ITS INTENTION TO LAUNCH AN OFFERING AND LIST ON EURONEXT AMSTERDAM

Amsterdam, the Netherlands, 19 May 2020 – JDE Peet's B.V. (the “Company”, and together with its consolidated subsidiaries, the “Group”), the world's largest pure-play coffee and tea group by revenue, today announced its intention to proceed with an offering (the “Offer”) and admission to listing and trading of its ordinary shares (the “Shares”) on Euronext Amsterdam (“Euronext Amsterdam”), a regulated market operated by Euronext Amsterdam N.V. (the “Admission”). The Offer is expected to comprise a primary offering of newly issued Shares by the Company and a secondary offering of existing Shares. The Offer is expected to take place in the coming weeks, subject to market conditions and other relevant considerations.

JDE PEET'S HIGHLIGHTS

- The Group is the world's largest pure-play coffee and tea group by revenue, serving approximately 130 billion cups of coffee and tea in the financial year ended 31 December (“FY”) 2019 in more than 100 developed and emerging countries.
- Through its more than 50 leading global, regional and local coffee and tea brands, the Group offers an extensive range of high-quality and innovative coffee and tea products and solutions to serve consumer needs across markets, consumer preferences and price points.
- The Group has a track record of growing its sales and market penetration in its coffee and tea categories by combining its strong innovation capabilities, trusted portfolio of brands and broad go-to-market access. Its ongoing commitment to innovation has enabled the Group to become over-indexed in the fastest growing parts of the coffee and tea categories, including single-serve and whole-beans, and grow its global market share.
- In FY 2019, the Group generated total revenue of €6.9 billion, of which 79% was derived from 44 markets where it held a number one or number two market position in consumer packaged goods (“CPG”) or Out-of-Home¹ sales channels.
- The Group has delivered strong growth and profitability, acting as a consolidator in the coffee and tea categories since 2013, through a combination of strategic mergers and acquisitions (“M&A”) and organic growth.
- The Group has increased revenue by a compound annual growth rate (“CAGR”) of 3.1% and Adjusted EBIT by a CAGR of 9.6% from €6.5 billion and €1.3 billion, respectively, in FY 2017

¹ Out-of-Home refers to coffee products purchased for consumption outside of the home.

to €6.9 billion and €1.6 billion, respectively, in FY 2019. This translated into an Adjusted EBIT margin of 16.3% in FY 2017 and 18.1% in FY 2019.

- In addition, the Group generated free cash flow of €0.7 billion in FY 2017, €1.0 billion in FY 2018 and €1.2 billion in FY 2019 enabling it to de-lever its balance sheet while funding its M&A strategy.
- At a Group-wide level, the Company is targeting, in the medium- to long-term:²
 - revenue organic growth (at constant commodity prices) of 3% to 5%;
 - Adjusted EBIT growth of 5% to 8%;
 - free cash flow conversion % of approximately 70%; and
 - a leverage ratio below 3.0x by the end of the first half (“H1”) of FY 2021.
- The Group intends to obtain an investment grade rating from a major rating agency within one to two years from the date of the Prospectus.
- The Group’s business has thus far been relatively resilient during the COVID-19 pandemic at a time of global economic turmoil. While working through the significant effects of the current crisis, the Group has since 31 December 2019 traded in line with management’s expectations and the Group believes its medium- to long-term targets continue to be achievable.³
- The Group is led by an experienced and entrepreneurial global leadership team. Through medium- to long-term incentives, the interests of the global leadership team are aligned with that of the Group and its shareholders. In particular, certain members of the global leadership team invest their own capital in the Group.
- JAB Holding Company S.à r.l. (“JAB”) is a leading investor in consumer goods and services overseeing more than US\$100 billion of assets under management, focused on long-term value creation through the building of global champions and challengers. In JAB, the Group has a proven, long-term oriented shareholder with strategic vision. JAB is committed to a majority ownership in the Company for the long-term.

² The Company has established the financial targets set out above to measure its operational and managerial performance on a Group-wide level. These financial targets are the Company’s internal targets for revenue organic growth, Adjusted EBIT growth, free cash flow conversion % and leverage ratio for the medium- to long-term. The Company’s ability to achieve these financial targets is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Company, and upon assumptions with respect to future business decisions that are subject to change. As a result, the Company’s actual results will vary from these financial targets, and those variations may be material. The financial targets should not be regarded as a representation by the Company or any other person that it will achieve these targets in any time period. Readers are cautioned not to place undue reliance on these financial targets.

Adjusted EBIT: the Group defines Adjusted EBIT as operating profit, adjusted for the following factors: (i) enterprise resource planning (ERP) system implementation expenses, which represent costs to implement and upgrade to a new ERP system, including order, billing, payroll, and financial systems; (ii) transformation activities and corporate actions include costs from restructuring and organisational redesign projects, results arising from corporate actions and costs from strategic initiatives: (a) restructuring and organisational redesign costs arise from strategic projects that are related to business optimisation or cost-saving initiatives; (b) results arising from corporate actions related to activities that the Group does not consider to be part of its daily business operations; and (c) strategic initiatives are broken down and defined as the costs related to evaluating strategic alternatives, entering into new markets, or launching new strategic initiatives, or other business development costs, to the extent not considered by the Group as part of the normal operating costs of its business; (iii) share-based compensation, which is an operating expense the Group incurs and is a form of compensation; (iv) mark-to-market results consist of economic hedges of certain future risks related to the cost of goods sold; and (v) M&A/business combination results and intangible assets amortisation. **Adjusted EBITDA:** the Group defines Adjusted EBITDA as operating profit before depreciation and amortisation, adjusted for the same factors as listed under Adjusted EBIT. **Net debt:** the Group defines net debt as total borrowings less cash and cash equivalents. **Adjusted net debt:** the Group defines Adjusted net debt as total borrowings less cash and cash equivalents, excluding cash not at the free disposal of the Group, and borrowings from related parties. **Free cash flow:** the Group defines free cash flow as net cash provided by operating activities less capital expenditure. **Free cash flow conversion %:** The Group defines free cash flow conversion % as free cash flow divided by Adjusted EBITDA. **Leverage ratio:** the Group defines the leverage ratio as net debt divided by Adjusted EBITDA. **Medium- to long-term:** the Group has not defined, and does not intend to define, medium- to long-term and these financial targets should not be read as indicating that the Company is targeting such metrics for any particular financial year. **Revenue organic (at constant commodity prices):** the Group defines revenue organic (at constant commodity prices) as like-for-like sales adjusted for the price impact of inflation and/or deflation of green coffee and tea commodity prices. **Revenue organic growth (at constant commodity prices):** the Group defines revenue organic growth (at constant commodity prices) as the growth in revenue organic (at constant commodity prices) between the given and comparable year.

³ Based on assumptions described in the Prospectus.

OFFER HIGHLIGHTS

- The Offer is expected to comprise a primary component of approximately €700 million and a secondary component.
- The Company intends to use the expected net proceeds of the issue of any new Shares to repay part of its outstanding debt in order to improve its leverage ratio (estimated to be around 3.6x on the settlement date).⁴
- It is the intention of the Company and its shareholders to create a meaningful free float in the Shares on Admission.
- An application is expected to be made for the Admission to listing and trading of the Shares on Euronext Amsterdam.
- The Company believes that the Offer will strengthen its financial position by enabling it to repay part of its outstanding debt. The Admission will further provide the Company with access to capital markets, which it may use to support further growth of the Group and finance strategic M&A transactions, as they become available.
- The Offer is to be structured as a public offering to institutional and retail investors in the Netherlands and as a private placement to certain institutional investors in various other jurisdictions.
- The Company has appointed BNP Paribas, Goldman Sachs International and J.P. Morgan Securities plc as joint global coordinators for the Offer (the “Joint Global Coordinators”).

Casey Keller, Chief Executive Officer of the Company said, “We believe JDE Peet’s is well-positioned for growth and we look forward to attracting new shareholders who can participate in our exciting future. Thanks to the hard work and dedication of our teams around the world, particularly during the past few extraordinary months, we are poised to build on our role as a global leader in coffee and tea.”

“We believe the launch of JDE Peet’s into the public markets will provide additional opportunities for growth and shareholder value creation,” said Olivier Goudet, Chief Executive Officer and Managing Partner of JAB, and Chair-designate of the Company's board of directors (the “Board”).

“Mondelēz International has valued its investment in JDE and we are very pleased to continue our relationship with JDE Peet’s. We believe that the strength of the global portfolio of brands and the clear strategic path forward will help the company continue to build on a long tradition of innovation and dedication to serving its customers and consumers,” added Dirk Van de Put, Chairman and Chief Executive Officer of Mondelēz International, Inc. (“Mondelēz International”).

COMPETITIVE STRENGTHS

A Global Category with Attractive Growth Fundamentals

The coffee and tea categories are large global consumer markets, which have demonstrated strong and resilient historical growth, including against the other food and beverage categories that they compete with. From 2007 to 2019, the global coffee and tea categories grew by a CAGR of 2.9% in volume, and from €83 billion in 2007 to €118 billion in 2019 in sales. Moreover, according to Euromonitor International (“Euromonitor”), between 2019 and 2024, sales in the global coffee and tea categories are forecasted to grow at a CAGR of 2.6% in volume, increasing from current levels to €134 billion in 2024 in sales. According to Euromonitor, growth in coffee and tea sales is also forecasted to grow in each of the Group's top five markets by total sales in FY 2019: the United States, Germany, France, the Netherlands and Brazil.

⁴ After the repayment of part of its outstanding debt with such net proceeds.

The coffee and tea categories have benefited in the past from attractive growth fundamentals and have proven to be resilient in times of economic downturn. The Group believes that the growth in the coffee and tea categories has been and will continue to be driven by changing consumer trends and preferences. The Group believes that its focus as a pure-play coffee and tea group, combined with its scale make it well-positioned to address these consumer trends and preferences and take advantage of these growth opportunities.

The World's Largest Pure-play Coffee and Tea Group

The Group is the world's largest pure-play coffee and tea group by revenue, with an approximate 7% market share in a fragmented market. In FY 2019, 79% of the Group's total sales were derived from 44 markets where it held the number one or number two market position in the CPG or Out-of-Home sales channels. The Group has a diversified global footprint with a strong market presence in more than 100 countries. In FY 2019, the Group derived 77% of its revenue from developed markets and 23% of its revenue from emerging markets⁵.

The Group believes that there are significant opportunities for further market share gains in its markets, both through organic growth and strategic M&A.

Differentiated Consumer Reach Model

Through its well-recognised and trusted brand portfolio, access to coffee technologies and go-to-market approach, the Group believes it has established a platform unique to the industry. The Group offers a range of high quality and innovative coffee and tea products to serve consumers' needs across markets, consumer preferences and price points.

The Group has established the largest portfolio of coffee and tea brands globally, developing over 50 trusted coffee and tea brands. Through its brand portfolio, it served approximately 130 billion cups of coffee and tea in FY 2019 in more than 100 countries to customers across price points and geographies.

The Group believes that it is one of the two largest global coffee and tea groups offering coffee technologies that include whole-beans, roast and ground, instant, capsules, pads, pods (Tassimo coffee discs and K-cups) and ready-to-drink. The Group believes that coffee technology, which requires capital and expertise, is important to address changing consumer trends and preferences.

The Group's products and systems are sold through a go-to-market approach across the CPG, Out-of-Home, retail and online sales channels. The Group believes that it is the only coffee and tea group, operating at scale, with this go-to-market approach. The Group's ability to sell through this multitude of sale channels allows fast deployment of its products across countries to meet evolving customer and consumer demand.

Strong Growth and Profitability Profile

The Group has grown organically and through strategic M&A. Organic growth has primarily been driven by: growth in the underlying coffee and tea categories; its portfolio of global, regional and local brands; technological innovation; and its unique go-to-market approach.

The Group's organic growth has benefited from the premiumisation of coffee demand in areas such as North America, Western Europe and Australasia. In those markets, coffee pods, which sell at a substantial premium relative to other coffee categories on a unit basis, have been rapidly growing as a category. The Group has also benefited from shifts in consumer demand to higher priced forms of coffee, in particular, in Latin America including Brazil. In other emerging regions, the Group has benefited from volume growth, which has resulted from population growth and increasing per capita consumption.

⁵ Group's revenue including export revenue.

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With premiumisation of coffee demand and volume growth forecast in the coming years by 2.3% (volume growth CAGR 2019 – 2024), the Group believes it is well-positioned to leverage its broad product offering and expansive geographic reach to achieve further organic growth on the basis of favourable consumer trends.

The Group also has been a significant consolidator of the coffee and tea categories by leveraging its significant execution and integration capabilities, completing more than 15 M&A transactions between FY 2012 and FY 2019.

Experienced Team of Entrepreneurs and Long-term Shareholders

The Group is led by an experienced and entrepreneurial global leadership team with a proven track record of strong managerial, marketing and sales capabilities. Through its medium- to long-term incentives, the interests of the global leadership team are aligned with the Group and its shareholders. Through the Group's executive ownership plan, certain members of the global leadership team invest their own capital in the Group in order to further align their interests and demonstrate their commitment to their role.

The Group believes that the combination of its coffee and tea categories experience, the expertise of its employee base and its growth-driven global leadership management means that the Group is well placed to successfully identify and pursue growth opportunities.

JAB is a leading investor in consumer goods and services overseeing more than US\$100 billion of assets under management, focused on long-term value creation through building brands that are global champions and challengers. JAB is a proven, long-term oriented shareholder with strategic vision that has guided the Group to become the world's largest pure-play coffee and tea group. JAB's strategic vision will continue to be represented at the Company through its representatives on the Company's one-tier Board. As at the settlement date, five non-executive directors on the Board will be representatives of JAB and two non-executive directors will be representatives of Mondelēz International. JAB is committed to a majority ownership in the Company for the long-term.

STRATEGY

The Group intends to pursue further profitable and sustainable growth opportunities in the global coffee and tea categories. Specifically, the Group intends to focus on:

- increasing the household penetration in the United States;
- increasing its exposure to, and driving growth in, emerging markets;
- expanding in the single serve and whole-beans subcategories;
- pursuing new growth pools (including expanding its retail coffee stores business in China, tea and ready-to-drink beverages); and
- capturing attractive Out-of-Home opportunities.

JDE PEET'S KEY FINANCIALS

	For the year ended 31 December		
	2019	2018	2017
	<i>(in € millions, unless indicated otherwise)</i>		
Revenue.....	6,945	6,664	6,530
Adjusted EBIT.....	1,255	1,171	1,065
Adjusted EBIT margin	18.1%	17.6%	16.3%
Profit for the period	585	663	432
Free cash flow	1,178	1,031	685
Free cash flow conversion %.....	75.9%	74.0%	53.0%

MEDIUM- TO LONG-TERM TARGETS

At a Group-wide level, the Company is targeting, in the medium- to long-term:

- revenue organic growth (at constant commodity prices) of 3% to 5%;
- Adjusted EBIT growth of 5% to 8%;
- free cash flow conversion % of approximately 70%; and
- a leverage ratio below 3.0x by the end of H1 2021.

The Group intends to obtain an investment grade rating from a major rating agency within one to two years from the date of the Prospectus.

RECENT DEVELOPMENTS

The Group's business has been impacted by the outbreak of the COVID-19 pandemic, which has led to unprecedented circumstances, including for the Group's employees, its customers and suppliers. The Group's primary focus has been to protect the health and safety of its employees, maintain business continuity and provide support to communities.

The Group's trading has thus far been relatively resilient during the COVID-19 pandemic at a time of global economic turmoil. The coffee and tea category has benefited in the past from attractive growth fundamentals and has proven to be resilient in times of economic downturn. Combined with the Group's global manufacturing and supply network, its large portfolio of trusted brands and its strong and diversified go-to-market approach, the Group has been able to weather past crises and believes it is well-positioned to withstand the current environment.

Nonetheless, the Group's supply chain and operations have been affected by the consequences of the COVID-19 pandemic, including:

- preventive measures put in place while all manufacturing facilities continued to operate;
- temporary closure or limited operations in the Group's retail coffee stores;
- customer service levels somewhat adversely affected but remained strong and recently approaching pre-COVID-19 levels;
- well performing IT networks in light of a surge in demand from the Group's employees working remotely; and
- within the Out-of-Home segment and the retail coffee stores sales channel, furlough of a large number of employees.

While working through the significant effects of the COVID-19 pandemic, the Group has, since 31 December 2019, traded in line with management's expectations. Notably, in the first quarter of FY 2020:

- the Group's revenue increased by 3.1% compared to the first quarter of FY 2019, driven largely by like-for-like sales growth of 3.5%. Revenue organic growth (at constant commodity prices) developed in line with the Group's medium- to long-term targets;
- revenue and profit declines in the Out-of-Home and retail coffee stores sales channels, which represent 21% of the Group's revenues in FY 2019, were offset by increased revenues and profitability within the CPG and online sales channels, which represent 79% of the Group's revenues in FY 2019;
- the Group's Adjusted EBIT improved by double-digits compared to the first quarter of FY 2019, and as a result is ahead of management's medium- to long-term targets;
- the Group's liquidity has been resilient in the first quarter of FY 2020. In the first quarter of FY 2020, the Group generated €183 million of free cash flow. As at 31 March 2020, the Group had €638 million of cash and cash equivalents, with access to an additional €647 million of undrawn committed credit facilities. The Group believes it remains well-positioned to meet its medium- to long-term free cash flow conversion % target; and
- the Group's leverage ratio improved by 0.2x compared to 31 December 2019.

Since 31 March 2020, revenue in the CPG and online sales channels remains strong while the negative impact on Out-of-Home and retail coffee stores sales channels revenue continues to be significant. Given the underlying momentum through 30 April 2020, the Group expects to deliver positive like-for-like revenue growth for H1 2020, despite the significant COVID-19 impacts on the Out-of-Home and retail coffee stores channels. As at 30 April 2020, the Group's revenue continued to be supported by strong performance of the CPG and online sales channels. Four of the Group's five operating segments showed positive like-for-like revenue growth, while the Out-of-Home segment recorded a decline. The Group's Adjusted EBIT continued to increase at a double-digit rate through 30 April 2020, compared to 30 April 2019. The Group's net debt continued to reduce further, with strong free cash flow generation in April 2020.

Going forward, the Group will continue to comply with local government restrictions in response to the COVID-19 pandemic. The Group intends to continue working with local communities to safely reopen coffee stores and resume Out-of-Home segment operations in line with developing public restrictions and guidance.

Overall, there remains uncertainty regarding the development of the pandemic and the timing of any macro-economic recovery. Whilst, the effects of such developments on the Group in the second quarter and for FY 2020 remain difficult to predict, the Group believes its medium- to long-term targets continue to be achievable.⁶

DIVIDEND POLICY

The Company intends to target a dividend payout ratio per financial year of 50% to 60%⁷. For this purpose, the dividend payout ratio for a financial year is defined as the percentage of the Group's profit attributable to shareholders in the immediately preceding financial year. The ability and intention of the Company to declare and pay dividends in the future: (i) will mainly depend on its financial position, results of operations, capital requirements, investment prospects, the existence of distributable reserves and available liquidity and such other factors as the Board may deem relevant; and (ii) are subject to factors that are beyond the Company's control.

⁶ Based on assumptions described in the Prospectus.

⁷ Subject to certain limitations described in the Prospectus.

GOVERNANCE

As at the settlement date, the Company is expected to have a one-tier board structure comprising an executive director and 13 non-executive directors, with a balance of seven independent (not representatives of JAB or Mondelez International) and seven non-independent (representatives of JAB or Mondelez International) directors.

On the Board, Olivier Goudet, the Chief Executive Officer and Managing Partner of JAB, will act as Chair while Luc Vandeveld, the former Chair of Marks and Spencer Group plc and former Senior Independent Director of Vodafone Group plc, will act as the Lead Independent Director. As at settlement date, an Audit Committee and a Remuneration, Selection and Appointment Committee will have been established, with a majority of each committee's members being independent.

OFFER DETAILS

The Offer is expected to comprise a primary component of approximately €700 million and a secondary component.

The Company believes that the Offer and the Admission are a logical next step in its development and that their timing is appropriate, given its current profile and level of maturity.

The Company believes that the Offer will strengthen its financial position by enabling it to repay part of its outstanding debt. The Admission will further provide the Company with access to capital markets, which it may use to support further growth of the Group and to finance strategic M&A transactions, as they become available.

The Company intends to use the expected net proceeds of the issue of any new Shares to repay part of its outstanding debt in order to improve its leverage ratio (estimated to be around 3.6x on the settlement date)⁸. The Company is targeting a leverage ratio below 3.0x by the end of H1 2021.

The Company expects the Offer and the Admission to create a new long-term shareholder base as well as liquidity for the existing and future shareholders. The Offer provides its shareholders with an opportunity to partially realise their investment in the Company. It is the intention of the Company and its shareholders to create a meaningful free float in the Shares on Admission. The Admission also aims to permit the Group to incentivise existing and future management team and senior staff, and to continue to attract high caliber individuals to join its management team in the future, by way of awards of listed Shares, aligning their interests with the interests of shareholders.

The Offer is to be structured as a public offering to institutional and retail investors in the Netherlands and a private placement to certain institutional investors in various other jurisdictions.

If and when the Offer is launched, further details about the Offer and the Admission will be included in the prospectus to be published by the Company in relation to the Offer and the Admission (the "Prospectus"). Once the Prospectus has been approved by the AFM, the Prospectus will be published and made available at no cost at the start of the offer period through the corporate website of the Company (www.jdepeets.com), subject to securities law restrictions in certain jurisdictions.

The Company has appointed BNP Paribas, Goldman Sachs International and J.P. Morgan Securities plc as Joint Global Coordinators for the Offer.

Banco Santander, S.A., BofA Securities (Merrill Lynch International), Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, HSBC Bank plc, ING

⁸ After the repayment of part of its outstanding debt with such net proceeds.

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Bank N.V., MUFG Securities EMEA plc and UniCredit Bank AG, together with the Joint Global Coordinators, are acting as joint bookrunners for the Offer (the “Joint Bookrunners”).

Banca IMI S.p.A (Intesa Sanpaolo Group), COMMERZBANK Aktiengesellschaft, Coöperatieve Rabobank U.A., Landesbank Baden-Württemberg, Skandinaviska Enskilda Banken AB (publ) Frankfurt Branch, SMBC Nikko Capital Markets Europe GmbH and TD Securities Inc., are acting as co-lead managers for the Offer (the “Co-Lead Managers” and, together with the Joint Bookrunners, the “Underwriters”).

A customary option to cover over-allotments is expected to be granted to the Underwriters. The Company, the shareholders, as well as Board members and certain senior managers of the Group expect to enter into customary lock-up arrangements with the Underwriters in connection with the Offer.

CONTACTS

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DISCLAIMER

This announcement is not for release, distribution or publication, whether directly or indirectly and whether in whole or in part, in or into the United States, Canada, Australia, South Africa or Japan or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

This announcement is for information purposes only and is not intended to constitute, and should not be construed as, an offer to sell or a solicitation of any offer to buy the Shares in any jurisdiction, including the United States, Canada, Australia, South Africa or Japan.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States. This announcement is not an offer of securities for sale into the United States. The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States, absent registration or an applicable exemption from registration. The Company has no intention to register any part of the Offer in the United States or make a public offering of securities in the United States.

In the United Kingdom, this announcement and any other materials in relation to the Shares is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (as defined in section 86(7) of the UK Financial Services and Markets Act 2000, as amended) and who are: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it.

The Company has not authorised any offer to the public of Shares in any Member State of the European Economic Area (other than the Netherlands) or the United Kingdom. With respect to any Member State of the European Economic Area (other than the Netherlands) and the United Kingdom (each a “Relevant State”), no action has been undertaken or will be undertaken to make an offer to the public of Shares requiring publication of a prospectus in any Relevant State. As a result, the Shares may only be offered in Relevant States: (i) to any legal entity which is a qualified investor as defined in the Prospectus Regulation; or (ii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation.

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For the purpose of this paragraph, the expression "offer of securities to the public" means the communication in any form and by any means of sufficient information on the terms of the Offer and the Shares to be offered so as to enable the investor to decide to purchase or subscribe for the Shares and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 and includes any relevant delegated regulations.

No action has been taken by the Company or its shareholders that would permit an offer of Shares or the possession or distribution of this announcement or any other offering or publicity material relating to such Shares in any jurisdiction where action for that purpose is required.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which they are released, published or distributed, should inform themselves about, and observe, such restrictions.

This announcement may include statements, including the Company's financial and operational medium- to long-term objectives that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "targets", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made.

Each of the Company, its shareholders, the Underwriters and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

The Underwriters are acting exclusively for the Company and/or its shareholders and no one else in connection with any offering of Shares. They will not regard any other person as their respective clients in relation to any offering of Shares and will not be responsible to anyone other than the Company and/or its shareholders for providing the protections afforded to their respective clients nor for providing advice in relation to any offering of Shares, the contents of this announcement or any transaction, arrangement or other matter referred to herein. None of the Underwriters or any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents, alliance partners or any other entity or person accepts any responsibility or liability whatsoever for, or makes any representation, warranty or undertaking, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from this announcement) or any other information relating to the group, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith. Accordingly, the Underwriters disclaim, to the fullest extent permitted by applicable law, all and any liability, whether arising in tort or contract or that they might otherwise be found to have in respect of this announcement and/or any such statement.

At the date of the Prospectus, the Company will still be a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) named JDE Peet's B.V.. The Company is expected to be converted into a public company with limited liability (*naamloze vennootschap*) and to be renamed to JDE Peet's N.V. immediately prior to settlement.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION.

In connection with the Offer, each of the Underwriters and any of their affiliates, may take up a portion of the Shares in the Offer as a principal position and, in that capacity, may retain, purchase, sell, offer to sell for its own account such Shares and other securities of the Company or related investments in connection with the Offer or otherwise. In addition, each of the Underwriters and any of their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which each of the Underwriters and any of their affiliates may from time to time acquire, hold or dispose of Shares. None of the Underwriters or their affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares subject of the Offer have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the MiFID II Product Governance Requirements) should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.