

## Heineken Holding N.V. reports 2022 half year results

Amsterdam, 1 August 2022 – Heineken Holding N.V. (EURONEXT: HEIO; OTCQX: HKHHY) announces:

### Key Highlights

- The net result of Heineken Holding N.V.'s participating interest in Heineken N.V. for the first half year of 2022 amounts to €633 million
- Revenue growth 37.0%
- Net revenue (beia) 24.3% organic growth; per hectolitre 15.6%
- Beer volume organic growth 7.6%; premium beer volume 10.2% organically
- Heineken<sup>®</sup> volume 13.8% growth
- Operating profit growth 20.6%; operating profit (beia) organic growth 24.6%
- Net profit growth 22.3%; net profit (beia) organic growth 40.2%
- Full year 2022 expectations unchanged. 2023 guidance revised

### Financial Summary<sup>1</sup>

IFRS Measures	€ million	Total growth	BEIA Measures	€ million	Organic growth <sup>2</sup>
Revenue	16,401	37.0%	Revenue (beia)	16,401	22.4%
Net revenue	13,485	34.7%	Net revenue (beia)	13,485	24.3%
Operating profit	2,070	20.6%	Operating profit (beia)	2,155	24.6%
			Operating profit (beia) margin	16.0%	
Net profit of Heineken Holding N.V.	633	22.3%	Net profit (beia)	1,326	40.2%
Diluted EPS (in €)	2.20	22.2%	Diluted EPS (beia) (in €)	2.30	48.0%
			Free operating cash flow	1,122	
			Net debt / EBITDA (beia) <sup>3</sup>	2.4x	

<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 used throughout this report. Heineken Holding N.V.'s half year report has not been audited nor reviewed by its external auditor.

<sup>2</sup> Organic growth shown, except for Diluted EPS (beia), which is total growth.

<sup>3</sup> Includes acquisitions and excludes disposals on a 12 month pro-forma basis.

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's ambition is to deliver superior growth with a good balance between volume- and value-driven revenue expansion, positioning HEINEKEN among the fastest growing global beverage companies. HEINEKEN aims to achieve this by sharp consumer and customer orientation, leveraging its leading premium brands, developing winning consumer propositions in fast-growing segments and continuously shaping its geographic and portfolio footprint.

**Revenue** for the first half of 2022 was 16,401 million (2021: 11,970 million). **Net revenue (beia)** increased 24.3% organically, driven by a 7.7% increase in total consolidated volume and a 15.6% increase in net revenue (beia) per hectolitre. The underlying price-mix on a constant geographic basis was up 15.3%, driven by pricing across all markets, covering input cost inflation on a euro-for-euro basis, a positive channel mix and premiumisation. Compared to 2019, total consolidated volume increased organically by 0.8% and net revenue (beia) is 14.4% ahead, excluding consolidation changes, driven by post-COVID volume recovery, growth of HEINEKEN's premium brands and the impact of inflation-led pricing.

**Beer volume** increased 7.6% organically versus last year and came 4.2% ahead of 2019 on an organic basis. The growth was faster in the second quarter as beer volume grew 9.7%, led by strong growth in the Americas, the continued

recovery of Asia Pacific and the on-trade in Europe and modest growth in the Africa, Middle East and Eastern Europe (AMEE) region. HEINEKEN gained or held market share in more than half of its markets.

**Beer volume**

<i>(in mhl)</i>	2Q22	2Q21	Organic growth	HY22	HY21	Organic growth
Heineken N.V.	<b>70.4</b>	59.6	9.7%	<b>126.9</b>	109.9	7.6%

**Premium beer** volume grew by 10.2%, driving close to half of HEINEKEN's organic growth in beer volume, led by Heineken<sup>®</sup>.

**Heineken<sup>®</sup>** continued its strong performance and grew volume by 14.6% in the second quarter to close the first half with a 13.8% increase, up 32.9% versus 2019. The brand grew double-digits in more than 50 markets, notably in Brazil, China, Vietnam, South Africa, the Netherlands, Spain, Italy, Laos and the United Arab Emirates. **Heineken<sup>®</sup> Silver**, now present in 22 markets, has nearly doubled its volume, driven by strong growth in Vietnam and China and its rollout across Europe and Asia. As the next step of its global roll-out, HEINEKEN introduced Heineken<sup>®</sup> Silver in Mexico this month.

As per the Kantar BrandZ 2022 global survey, **Heineken<sup>®</sup>** was the fastest growing in 'Brand Value' among top alcohol brands, driven by its strong growth momentum, innovations and creativity. The latter was further recognised at this year's Cannes Lions, the prestigious Festival of Creativity, as the most awarded alcohol brand. The brand's most recent campaign, "The Closer", aims to spark conversation on work-life imbalance, with a smile. **Heineken<sup>®</sup>** supports inclusion in the bar and on the football field and is a proud sponsor of the UEFA Women's EURO football tournament.

**Heineken<sup>®</sup> volume**

<i>(in mhl)</i>	2Q22	Organic growth	HY22	Organic growth
Heineken N.V.	<b>14.0</b>	14.6%	<b>25.9</b>	13.8%

## Outlook Statements

HEINEKEN's multi-year EverGreen strategy aims to deliver superior, balanced growth for sustainable, long-term value creation. HEINEKEN is encouraged by the speed and progress made so far on its key strategic programmes, and by the strong post-COVID recovery of its business.

At the same time, HEINEKEN continues to observe a challenging global environment and an uncertain economic outlook. Whilst consumer demand in aggregate has been resilient in the first half, there is increasing risk that mounting pressure on consumer purchasing power will affect beer consumption.

HEINEKEN expects significant inflationary pressures on its cost base and ongoing investment in its business to continue and impact the second half of 2022 and into 2023. The recent softening in some commodities is being offset by the unprecedented price levels and availability risk of natural gas, most notably affecting Europe, our biggest region. HEINEKEN's pricing and revenue management actions have effectively offset these inflationary pressures so far in absolute terms, and HEINEKEN remains committed to continuing to do so. In addition, HEINEKEN's productivity programme continues at pace, lifting the aggregate gross savings contribution to €1.7 billion by end of 2022 compared to the cost base of 2019. This will continue to offset cost pressures and enable increased investments in brand support, digital transformation and sustainability initiatives.

For 2022, HEINEKEN keeps its outlook unchanged and expect a stable to modest sequential improvement in operating profit margin (beia) versus last year. HEINEKEN is changing its previous guidance for 2023. HEINEKEN will move from an operating profit margin objective towards delivering operating profit (beia) organic growth, in the range of a mid- to high-single digit, excluding any major unforeseen macroeconomic and political developments. Over the medium term, HEINEKEN reconfirms its aspiration to deliver superior, balanced growth with operating leverage over time.

## Translational Calculated Currency Impact

Based on the impact to date, and applying spot rates of 28 July 2022 to the 2021 financial results as a baseline for the remainder of the year, the calculated positive currency translational impact would be approximately €1.5 billion in net revenue (beia), €210 million at consolidated operating profit (beia), and €140 million at net profit (beia).

## Interim Dividend 2022

According to the Articles of Association of Heineken Holding N.V. both Heineken Holding N.V. and Heineken N.V. pay an identical dividend per share. HEINEKEN's dividends are paid in the form of an interim dividend and a final dividend. In accordance with its dividend policy, HEINEKEN fixes the interim dividend at 40% of the total dividend of the previous year. As a result, an interim dividend of €0.50 per share (2021: €0.28) will be paid on 11 August 2022. Both the Heineken Holding N.V. shares and the Heineken N.V. shares will trade ex-dividend on 3 August 2022.

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## Investor Calendar Heineken N.V.

*(events also accessible for Heineken Holding N.V. shareholders)*

Trading Update for Q3 2022

26 October 2022

Capital Markets Event in Amsterdam

1-2 December 2022

Full Year 2022 Results

15 February 2023

## Conference Call Details

HEINEKEN will host an analyst and investor conference call in relation to its 2022 Half Year results today 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 (Local): 020 3936 2999

Netherlands (Local): 085 888 7233

USA: 1 646 664 1960

All other locations: +44 203 936 2999

Participation password for all countries: 810785

*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 300 international, regional, local and specialty beers and ciders. With HEINEKEN's over 85,000 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 [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 contains price-sensitive information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

*Disclaimer:*

This press release contains forward-looking statements with regard to the financial position and results of HEINEKEN's activities. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed 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 future market and economic conditions, developments in the ongoing COVID-19 pandemic and related government measures, 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, interest-rate and exchange-rate fluctuations, changes in tax rates, changes in law, 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 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.

## Introduction

This report contains the interim financial report of Heineken Holding N.V., headquartered in Amsterdam, the Netherlands.

The interim financial report for the six months ending 30 June 2022 consists of the report of the Board of Directors, the statement of the Board and the condensed consolidated interim financial statements.

## Report of the Board of Directors

Heineken Holding N.V. has a 50.005% interest in the issued share capital (being 50.044% of the outstanding share capital) of Heineken N.V. Standing at the head of the HEINEKEN group, Heineken Holding N.V. is not an ordinary holding company. Since its formation in 1952, Heineken Holding N.V.'s object pursuant to its Articles of Association has been to manage or supervise the management of the HEINEKEN group and to provide services for Heineken N.V. Within the HEINEKEN group, the primary duties of Heineken N.V.'s Executive Board are to initiate and implement corporate strategy and to manage Heineken N.V. and its related enterprise. It is supervised in the performance of its duties by Heineken N.V.'s Supervisory Board. Because Heineken N.V. manages the HEINEKEN group companies, Heineken Holding N.V., unlike Heineken N.V., does not have an internal risk management and control system. Heineken Holding N.V. does not engage in any operational activities and employs no staff.

Further information regarding the developments during the financial half year 2022 of Heineken N.V. and its related companies, and the material risks Heineken N.V. is facing is given in Heineken N.V.'s half year report.

Pursuant to Article 5:25d Paragraph 4 Dutch Financial Markets Supervision Act ("Wet op het financieel toezicht") we mention that Heineken Holding N.V.'s half year report has not been audited nor reviewed.

## Statement of the Board of Directors

Statement ex Article 5:25d Paragraph 2 sub c Dutch Financial Markets Supervision Act ("Wet op het financieel toezicht").

To our knowledge:

1. The condensed consolidated interim financial statements for the six-month period ended 30 June 2022, which have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU, give a true and fair view of the assets, liabilities, financial position, and profit or loss of Heineken Holding N.V. and the businesses included in the consolidation as a whole;
2. The report of the Board of Directors for the six-month period ended 30 June 2022 includes a fair review of the information required pursuant to article 5:25d paragraphs 8 and 9 of the Dutch Financial Markets Supervision Act ("Wet op het financieel toezicht").

Board of Directors

Amsterdam, 29 July 2022

Mr M. Das, *non-executive director (chairman)*

Mrs C.L. de Carvalho-Heineken, *executive director*

Mr M.R. de Carvalho, *executive director*

Mr J.A. Fernández Carbajal, *non-executive director*

Mrs C.M. Kwist, *non-executive director*

Mr A.A.C. de Carvalho, *non-executive director*

Mrs A.M. Fentener van Vlissingen, *non-executive director*

Mrs L.L.H. Brassey, *non-executive director*

Mr J.F.M.L. van Boxmeer, *non-executive director*

Mr C.A.G. de Carvalho, *non-executive director*

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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## CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the six-month period ended 30 June

<i>In millions of €</i>	Note	2022	2021
<b>Revenue</b>	7	<b>16,401</b>	11,970
Excise tax expense	7	(2,916)	(1,960)
<b>Net revenue</b>	7	<b>13,485</b>	10,010
<b>Other income</b>		<b>31</b>	194
Raw materials, consumables and services		(8,580)	(5,972)
Personnel expenses		(1,934)	(1,645)
Amortisation, depreciation and impairments		(932)	(870)
<b>Total other expenses</b>		<b>(11,446)</b>	(8,487)
<b>Operating profit</b>	7	<b>2,070</b>	1,717
Interest income		29	24
Interest expenses		(214)	(226)
Other net finance income		37	24
<b>Net finance expenses</b>		<b>(148)</b>	(178)
Share of profit of associates and joint ventures	7	80	70
<b>Profit before income tax</b>	7	<b>2,002</b>	1,609
Income tax expenses		(547)	(440)
<b>Profit</b>		<b>1,455</b>	1,169
Attributable to:			
Shareholders of Heineken Holding N.V. (net profit)		633	517
Non-controlling interests in Heineken N.V.		632	517
Non-controlling interests in Heineken N.V. group companies		190	135
<b>Profit</b>		<b>1,455</b>	1,169
Weighted average number of shares – basic	10	288,030,168	288,030,168
Weighted average number of shares – diluted	10	288,030,168	288,030,168
Basic earnings per share (€)		2.20	1.80
Diluted earnings per share (€)		2.20	1.80

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June

<i>In millions of €</i>	2022	2021
<b>Profit</b>	<b>1,455</b>	1,169
<b>Other comprehensive income, net of tax:</b>		
<b>Items that will not be reclassified to profit or loss:</b>		
Remeasurement of post-retirement obligations	155	99
Net change in fair value through OCI investments - Equity investments	1	11
<b>Items that may be subsequently reclassified to profit or loss:</b>		
Currency translation differences	1,209	433
Change in fair value of net investment hedges	(73)	(27)
Change in fair value of cash flow hedges	(130)	42
Cash flow hedges reclassified to profit or loss	17	(7)
Net change in fair value through OCI investments - Debt investments	(1)	—
Cost of hedging	(1)	(3)
Share of other comprehensive income of associates/joint ventures	21	6
<b>Other comprehensive income, net of tax</b>	<b>1,198</b>	554
<b>Total comprehensive income</b>	<b>2,653</b>	1,723
Attributable to:		
Shareholders of Heineken Holding N.V.	1,188	788
Non-controlling interests in Heineken N.V.	1,187	785
Non-controlling interests in Heineken N.V. group companies	278	150
<b>Total comprehensive income</b>	<b>2,653</b>	1,723

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at				As at			
<i>In millions of €</i>	Note	30 June 2022	31 December 2021	<i>In millions of €</i>	Note	30 June 2022	31 December 2021
Intangible assets		21,357	20,762	Heineken Holding N.V. shareholders' equity	10	9,485	8,593
Property, plant and equipment		12,697	12,401	Non-controlling interests in Heineken N.V.	10	9,659	8,763
Investments in associates and joint ventures		4,412	4,148	Non-controlling interests in Heineken N.V. group companies	10	2,412	2,344
Loans and advances to customers		200	209	<b>Total equity</b>		<b>21,556</b>	<b>19,700</b>
Deferred tax assets		642	682	Borrowings	11	13,026	13,640
Other non-current assets		1,276	1,070	Post-retirement obligations		555	668
<b>Total non-current assets</b>		<b>40,584</b>	<b>39,272</b>	Provisions		636	636
Inventories		3,143	2,438	Deferred tax liabilities		2,078	1,971
Trade and other receivables		4,966	3,662	Other non-current liabilities		179	141
Current tax assets		107	97	<b>Total non-current liabilities</b>		<b>16,474</b>	<b>17,056</b>
Derivative assets		68	96	Borrowings	11	3,556	3,233
Cash and cash equivalents		2,889	3,248	Trade and other payables		9,091	7,750
Assets classified as held for sale	8	550	37	Returnable packaging deposits		590	476
Other current assets		42	—	Provisions		257	301
<b>Total current assets</b>		<b>11,765</b>	<b>9,578</b>	Current tax liabilities		344	268
				Derivative liabilities		158	46
				Liabilities associated with assets classified as held for sale	8	323	20
				<b>Total current liabilities</b>		<b>14,319</b>	<b>12,094</b>
<b>Total assets</b>		<b>52,349</b>	<b>48,850</b>	<b>Total equity and liabilities</b>		<b>52,349</b>	<b>48,850</b>



## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the six-month period ended 30 June

<i>In millions of €</i>	2022	2021
<b>Operating activities</b>		
Profit	1,455	1,169
Adjustments for:		
Amortisation, depreciation and impairments	932	870
Net interest expenses	185	202
Other income	(31)	(20)
Share of profit of associates and joint ventures and dividend income on fair value through OCI investments	(85)	(75)
Income tax expenses	547	440
Other non-cash items	97	(9)
<b>Cash flow from operations before changes in working capital and provisions</b>	<b>3,100</b>	<b>2,577</b>
Change in inventories	(611)	(330)
Change in trade and other receivables	(1,150)	(1,167)
Change in trade and other payables and returnable packaging deposits	1,545	1,185
<b>Total change in working capital</b>	<b>(216)</b>	<b>(312)</b>
Change in provisions and post-retirement obligations	(100)	(148)
<b>Cash flow from operations</b>	<b>2,784</b>	<b>2,117</b>
Interest paid	(236)	(271)
Interest received	17	22
Dividends received	60	37
Income taxes paid	(456)	(324)
<b>Cash flow related to interest, dividend and income tax</b>	<b>(615)</b>	<b>(536)</b>
<b>Cash flow from operating activities</b>	<b>2,169</b>	<b>1,581</b>

For the six-month period ended 30 June

<i>In millions of €</i>	2022	2021
<b>Investing activities</b>		
Proceeds from sale of property, plant and equipment and intangible assets	51	35
Purchase of property, plant and equipment	(958)	(728)
Purchase of intangible assets	(68)	(181)
Loans issued to customers and other investments	(89)	(70)
Repayment on loans to customers and other investments	17	13
<b>Cash flow (used in)/from operational investing activities</b>	<b>(1,047)</b>	<b>(931)</b>
<b>Free operating cash flow</b>	<b>1,122</b>	<b>650</b>
Acquisition of subsidiaries, net of cash acquired	(7)	(1)
Acquisition of/additions to associates, joint ventures and other investments	(37)	(662)
Disposal of subsidiaries, net of cash disposed of	—	(4)
Disposal of associates, joint ventures and other investments	—	8
<b>Cash flow (used in)/from acquisitions and disposals</b>	<b>(44)</b>	<b>(659)</b>
<b>Cash flow (used in)/from investing activities</b>	<b>(1,091)</b>	<b>(1,590)</b>
<b>Financing activities</b>		
Proceeds from borrowings	301	721
Repayment of borrowings	(986)	(2,275)
Payment of lease commitments	(148)	(150)
Dividends paid	(652)	(579)
Purchase own shares and shares issued by Heineken N.V.	(23)	26
Acquisition of non-controlling interests	(8)	(10)
<b>Cash flow (used in)/from financing activities</b>	<b>(1,516)</b>	<b>(2,267)</b>
<b>Net cash flow</b>	<b>(438)</b>	<b>(2,276)</b>
Cash and cash equivalents as at 1 January	2,556	3,519
Effect of movements in exchange rates	28	10
<b>Cash and cash equivalents as at 30 June</b>	<b>2,146</b>	<b>1,253</b>

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

<i>In millions of €</i>	Share capital	Share premium	Translation reserve	Hedging reserve	Cost of hedging reserve	Fair value reserve	Other legal reserves	Retained earnings	Shareholders of Heineken Holding N.V.	Non-controlling interests in Heineken N.V.	Non-controlling interests in Heineken N.V. group companies	Total equity
<b>Balance as at 1 January 2021</b>	461	1,257	(2,483)	16	(1)	28	588	6,738	6,604	6,788	1,000	14,392
Profit	—	—	—	—	—	—	34	483	517	517	135	1,169
Other comprehensive income/(loss)	—	—	199	18	(2)	6	—	50	271	268	15	554
<b>Total comprehensive income/(loss)</b>	—	—	199	18	(2)	6	34	533	788	785	150	1,723
Realised hedge results from non-financial assets	—	—	—	(18)	—	—	—	—	(18)	(18)	—	(36)
Transfer to retained earnings	—	—	1	—	—	(4)	(30)	33	—	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	(202)	(202)	(201)	(204)	(607)
Purchase/reissuance own/non-controlling shares by Heineken N.V.	—	—	—	—	—	—	—	—	—	—	28	28
Dilution	—	—	—	—	—	—	—	1	1	(1)	—	—
Share-based payments by Heineken N.V.	—	—	—	—	—	—	—	9	9	9	—	18
Acquisition of non-controlling interests in Heineken N.V. group companies by Heineken N.V.	—	—	—	—	—	—	—	(4)	(4)	(3)	(4)	(11)
<b>Balance as at 30 June 2021</b>	461	1,257	(2,283)	16	(3)	30	592	7,108	7,178	7,359	970	15,507

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

<i>In millions of €</i>	Share capital	Share premium	Translation reserve	Hedging reserve	Cost of hedging reserve	Fair value reserve	Other legal reserves	Retained earnings	Shareholders of Heineken Holding N.V.	Non-controlling interests in Heineken N.V.	Non-controlling interests in Heineken N.V. group companies	Total equity
<b>Balance as at 1 January 2022</b>	<b>461</b>	<b>1,257</b>	<b>(2,014)</b>	<b>30</b>	<b>(4)</b>	<b>29</b>	<b>566</b>	<b>8,268</b>	<b>8,593</b>	<b>8,763</b>	<b>2,344</b>	<b>19,700</b>
Profit	—	—	—	—	—	—	41	592	633	632	190	1,455
Other comprehensive income/(loss)	—	—	534	(56)	(1)	—	—	78	555	555	88	1,198
<b>Total comprehensive income/(loss)</b>	<b>—</b>	<b>—</b>	<b>534</b>	<b>(56)</b>	<b>(1)</b>	<b>—</b>	<b>41</b>	<b>670</b>	<b>1,188</b>	<b>1,187</b>	<b>278</b>	<b>2,653</b>
Realised hedge results from non-financial assets	—	—	—	(12)	—	—	—	—	(12)	(11)	—	(23)
Transfer to retained earnings	—	—	—	—	—	—	(58)	58	—	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	(277)	(277)	(276)	(208)	(761)
Purchase/reissuance own/non-controlling shares by Heineken N.V.	—	—	—	—	—	—	—	(12)	(12)	(11)	—	(23)
Negative dilution	—	—	—	—	—	—	—	(1)	(1)	1	—	—
Share-based payments by Heineken N.V.	—	—	—	—	—	—	—	8	8	8	—	16
Acquisition of non-controlling interests in Heineken N.V. group companies by Heineken N.V.	—	—	—	—	—	—	—	(2)	(2)	(2)	(2)	(6)
<b>Balance as at 30 June 2022</b>	<b>461</b>	<b>1,257</b>	<b>(1,480)</b>	<b>(38)</b>	<b>(5)</b>	<b>29</b>	<b>549</b>	<b>8,712</b>	<b>9,485</b>	<b>9,659</b>	<b>2,412</b>	<b>21,556</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 1. REPORTING ENTITY

Heineken Holding N.V. (the 'Company') is a public company domiciled in the Netherlands, with its head office in Amsterdam. The condensed consolidated interim financial statements of the Company as at and for the six months ended 30 June 2022, includes the financial statements of Heineken Holding N.V., Heineken N.V., its subsidiaries (together referred to as 'HEINEKEN') and HEINEKEN's interest in joint ventures and associates.

The consolidated financial statements of Heineken Holding N.V. as at and for the year ended 31 December 2021 are available at [www.heinekenholding.com](http://www.heinekenholding.com).

### 2. BASIS OF PREPARATION

The condensed consolidated interim financial statements are:

- Prepared in accordance with IAS 34 'Interim Financial Reporting' of the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The condensed consolidated interim financial statements do not meet the full requirements for annual financial statements required by IFRS and should be read in conjunction with the consolidated financial statements of HEINEKEN as at and for the year ended 31 December 2021. Heineken Holding N.V.'s consolidated financial statements for the year ended 31 December 2021 were adopted by the Annual General Meeting of shareholders on 21 April 2022 and an unqualified auditor's opinion was issued by Deloitte Accountants B.V. thereon.
- These condensed consolidated interim financial statements were approved by the Board of Directors on 29 July 2022.
- Prepared on a historical cost basis unless otherwise stated.
- Presented in Euro, which is the Company's functional currency.
- Rounded to the nearest million unless stated otherwise.

### 3. SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

On 28 March 2022, HEINEKEN announced its decision to leave Russia. The Russian business was classified as a disposal group held for sale as at 30 June 2022. For more information refer to note 8 'Russia disposal group classified as held for sale'.

HEINEKEN has assessed the impact of its main risks including increased exposure on risks related to supply chain continuity, cyber security incidents, commodity prices and macro-economic downturn in general, on its estimates and judgements. Areas containing the most significant estimates and judgements are referred to in note 4.

## 4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the condensed consolidated interim financial statements in accordance with IFRS requires management to make estimates, judgements and assessments that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses.

The areas that involve significant estimates and judgements are described in the consolidated financial statements of HEINEKEN for the year ended 31 December 2021. There has been no material change to these areas during the six months ended 30 June 2022, except relating to the classification and measurement of the Russian disposal group held for sale.

Area involving significant estimates and judgements	Note
Judgement used in the classification and measurement of the disposal group held for sale	8 Russia disposal group held for sale

## 5. SIGNIFICANT ACCOUNTING POLICIES

### (a) General

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in HEINEKEN's consolidated financial statements for the year ended 31 December 2021. HEINEKEN has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

### (b) Income tax

Income tax expenses are recognised based on the expected full year effective tax rate per country.

### (c) IFRS standards and interpretations effective on or after 1 January 2022

Several amendments apply for the first time in 2022, but do not have an impact on the interim condensed consolidated financial statements of HEINEKEN.

## 6. SEASONALITY

The performance of HEINEKEN is usually subject to seasonal fluctuations for example as a result of weather conditions. HEINEKEN's full-year results and volumes are dependent on the performance in the peak-selling seasons (May to August and December). The impact from this seasonality is also noticeable in several working capital related items such as inventory, trade receivables and payables.

## 7. OPERATING SEGMENTS

For the six-month period ended 30 June

<i>In millions of €</i>	Europe		Americas		Africa, Middle East & Eastern Europe		Asia Pacific		Heineken N.V. Head Office & Other/eliminations		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Third party revenue	6,506	5,094	4,372	3,413	2,235	1,792	3,278	1,668	10	3	16,401	11,970
Interregional revenue	405	359	14	14	—	—	—	1	(419)	(374)	—	—
<b>Revenue</b>	<b>6,911</b>	<b>5,453</b>	<b>4,386</b>	<b>3,427</b>	<b>2,235</b>	<b>1,792</b>	<b>3,278</b>	<b>1,669</b>	<b>(409)</b>	<b>(371)</b>	<b>16,401</b>	<b>11,970</b>
Excise tax expense <sup>2</sup>	(1,393)	(1,201)	(98)	(83)	(379)	(316)	(1,046)	(360)	—	—	(2,916)	(1,960)
<b>Net revenue</b>	<b>5,518</b>	<b>4,252</b>	<b>4,288</b>	<b>3,344</b>	<b>1,856</b>	<b>1,476</b>	<b>2,232</b>	<b>1,309</b>	<b>(409)</b>	<b>(371)</b>	<b>13,485</b>	<b>10,010</b>
<b>Other income</b>	<b>14</b>	<b>13</b>	<b>15</b>	<b>175</b>	<b>2</b>	<b>5</b>	<b>—</b>	<b>1</b>	<b>—</b>	<b>—</b>	<b>31</b>	<b>194</b>
<b>Operating profit</b>	<b>588</b>	<b>416</b>	<b>586</b>	<b>773</b>	<b>282</b>	<b>193</b>	<b>592</b>	<b>381</b>	<b>22</b>	<b>(46)</b>	<b>2,070</b>	<b>1,717</b>
Net finance expenses											(148)	(178)
Share of profit of associates and joint ventures	10	2	25	36	16	15	29	17	—	—	80	70
Income tax expense											(547)	(440)
<b>Profit</b>											<b>1,455</b>	<b>1,169</b>
<b>Operating profit reconciliation</b>												
Operating profit	588	416	586	773	282	193	592	381	22	(46)	2,070	1,717
Eid <sup>1</sup>	37	(36)	(4)	(134)	(3)	16	45	71	10	(5)	85	(89)
<b>Operating profit (beia)<sup>1</sup></b>	<b>625</b>	<b>380</b>	<b>582</b>	<b>639</b>	<b>279</b>	<b>209</b>	<b>637</b>	<b>452</b>	<b>32</b>	<b>(51)</b>	<b>2,155</b>	<b>1,628</b>

For the six-month period ended 30 June 2022 and as at 31 December 2021

<b>Total segment assets</b>	<b>16,029</b>	14,879	<b>12,253</b>	10,905	<b>4,258</b>	3,718	<b>16,939</b>	15,894	<b>2,001</b>	2,599	<b>51,480</b>	47,995
Unallocated assets											<b>869</b>	855
<b>Total assets</b>											<b>52,349</b>	<b>48,850</b>

<sup>1</sup> Note that this is a non-GAAP measure. Due to rounding, this balance will not always cast.

<sup>2</sup> In addition to the €2,916 million of excise tax expense included in revenue (30 June 2021: €1,960 million €1,081 million of excise tax expense is collected on behalf of third parties and excluded from revenue (30 June 2021: €816 million).

### Reconciliation of segment profit or loss

Operating segments are reported consistently with the internal reporting provided to the Executive Board of Heineken N.V., which is considered to be HEINEKEN's chief operating decision-maker. HEINEKEN measures its segmental performance primarily based on operating profit and operating profit beia (before exceptional items and amortisation of acquisition-related intangible assets) as included in internal management's reports.

Exceptional items are defined as items of income and expenses 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. Exceptional items include, amongst others, impairments (and reversal of impairments) of goodwill and fixed assets, gains and losses from acquisitions and disposals, redundancy costs following a restructuring, past service costs and curtailments, the tax impact on exceptional items and tax rate changes (the one-off impact on deferred tax positions).

Operating profit beia is a non-GAAP measure not calculated according to IFRS. Beia adjustments are also applied to other metrics. The presentation of these financial measures may not be comparable to similarly titled measures reported by other companies due to differences in the ways the measures are calculated.

The table below presents the reconciliation of operating profit before exceptional items and amortisation of acquisition-related intangibles (operating profit beia) to profit before income tax.

### For the six-month period ended 30 June

<i>In millions of €</i>	<b>2022</b>	<b>2021</b>
<b>Operating profit (beia)</b>	<b>2,155</b>	<b>1,628</b>
Amortisation of acquisition-related intangible assets included in operating profit	(161)	(126)
Exceptional items included in operating profit	76	215
Share of profit of associates and joint ventures	80	70
Net finance expenses	(148)	(178)
<b>Profit before income tax</b>	<b>2,002</b>	<b>1,609</b>
<b>Profit attributable to:</b>		
Shareholders of Heineken Holding N.V. (net profit)	633	517
Non-controlling interests in Heineken N.V.	632	517
Amortisation of acquisition-related intangible assets included in operating profit	161	126
Exceptional items included in operating profit	(76)	(215)
Exceptional items included in net finance expenses	(13)	(75)
Exceptional items and amortisation of acquisition-related intangible assets included in share of profit of associates and joint ventures	23	25
Exceptional items included in income tax expense	(27)	15
Allocation of exceptional items and amortisation of acquisition-related intangibles to non-controlling interests	(7)	(14)
<b>Net profit (beia)</b>	<b>1,326</b>	<b>896</b>

The exceptional items and amortisation of acquisition-related intangibles in net profit for the six-month period ended 30 June 2022 amounts to €61 million expenses (2021: €138 million benefit). This amount consists of:

- €161 million (2021: €126 million) of amortisation of acquisition-related intangibles recorded in operating profit.
- €76 million of exceptional net benefits recorded in operating profit (2021: €215 million). This includes €44 million exceptional net benefit recorded as a reduction in marketing expenses related to tax credits in Brazil (2021: €174 million exceptional net benefit recorded in other income related to tax credits in Brazil), net restructuring expense of €2 million (2021: €5 million), net reversal of impairments of €25 million (2021: €2 million) and €9 million other exceptional net benefits (2021: €44 million).
- €13 million of exceptional net benefits in net finance expenses, mainly related to the recognition of interest over tax receivables (2021: €75 million, mainly related to interest on tax credits in Brazil).
- €23 million of exceptional net expenses included in share of profit of associates and joint ventures (2021: €25 million).
- €27 million of exceptional net benefit in income tax expense, mainly related to the tax benefit on exceptional items and amortisation of acquisition-related intangibles (2021: €15 million exceptional net expense).
- Total exceptional net benefit allocated to non-controlling interest amounts to €7 million (2021: €14 million).

## 8. RUSSIA DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 28 March 2022, HEINEKEN announced its decision to leave Russia. Efforts to sell the disposal group have commenced and HEINEKEN expects to reach an agreement during the second half of 2022. The disposal group is included in the reportable segment Africa, Middle East & Eastern Europe (refer to note 7).

The following assets and liabilities of Russia were classified as held for sale in relation to the disposal group as at 30 June 2022:

<i>In millions of €</i>	<b>2022</b>
Current assets	166
Property, plant and equipment	287
Intangible assets	12
Other non-current assets	10
Assets of disposal group held for sale	475
Current liabilities	(260)
Non-current liabilities	(15)
Liabilities associated with assets classified as held for sale	(275)

At the moment the decision to leave Russia was announced, HEINEKEN expected an impairment. Based on the current assessment, the recoverable amount of the Russia business exceeded the carrying amount. No impairment loss was therefore recognised in relation to Russia for the period ended 30 June 2022.

During the six-month period ended 30 June 2022, there were no other significant assets and liabilities classified as held for sale.



## 9. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### (a) Financial risk management

The consolidated financial statements of HEINEKEN for the year ended 31 December 2021 describe the financial risks that HEINEKEN is exposed to in the normal course of business, as well as the policies and processes that are in place for managing these risks. Those risks, policies and processes remain valid and should be read in conjunction with these interim financial statements.

### (b) Fair value

For bank loans and other interest-bearing liabilities, the carrying amount is a reasonable approximation of fair value. The fair value of the unsecured bond issued as at 30 June 2022 was €12,242 million (31 December 2021: €14,665 million) and the carrying amount measured at amortised cost was €13,034 million (31 December 2021: €13,535 million).

### (c) Fair value hierarchy

During the six-month period ended 30 June 2022, there have been no material changes related to the fair value hierarchy.

## 10. EQUITY

### (a) Reserves

The reserves consist of translation reserve, hedging reserve, fair value reserve and other legal reserve. The main variance in comparison to prior year is driven by foreign currency translation in the translation reserve.

### (b) Weighted average number of shares

<b>For the six-month period ended 30 June</b>	<b>2022</b>	<b>2021</b>
Total number of shares issued	288,030,168	288,030,168
Effect of own shares held	—	—
Weighted average number of basic shares outstanding	288,030,168	288,030,168
Weighted average number of diluted shares outstanding	288,030,168	288,030,168

### (c) Dividends

The following dividends have been declared and paid by Heineken Holding N.V.:

<b>For the six-month period ended 30 June</b>	<b>2022</b>	<b>2021</b>
<i>In millions of €</i>		
Final dividend previous year €0.96, respectively €0.70 per qualifying share	<b>277</b>	<b>202</b>

After the reporting date, the Board of Directors announced the following interim dividend that has not yet been provided for:

<b>For the six-month period ended 30 June</b>	<b>2022</b>	<b>2021</b>
<i>In millions of €</i>		
Interim dividend per qualifying share €0.50 (2021: €0.28)	<b>144</b>	<b>81</b>

## 11. BORROWINGS

As at	30 June	31 December
<i>In millions of €</i>	2022	2021
Unsecured bond issues	13,034	13,535
Lease liabilities	1,128	1,106
Bank loans	814	767
Other interest-bearing liabilities	270	211
Deposits from third parties <sup>1</sup>	594	562
Bank overdrafts	742	692
<b>Total borrowings</b>	<b>16,582</b>	<b>16,873</b>
Market value of cross-currency interest rate swaps	9	33
Other investments	(58)	—
Cash and cash equivalents	(2,889)	(3,248)
<b>Net debt</b>	<b>13,644</b>	<b>13,658</b>

<sup>1</sup>Mainly employee deposits

HEINEKEN has cash pooling arrangements with legally enforceable rights to offset cash and overdraft balances. As at 30 June 2022, Bank overdrafts and Cash and cash equivalents both include an amount of €462 million with legally enforceable rights to offset (31 December 2021: €412 million).

### Financing headroom

The committed financing headroom at Group level was approximately €3.9 billion as at 30 June 2022 (31 December 2021: €4.6 billion) and consisted of the undrawn revolving credit facilities minus commercial paper in issue and centrally managed overdrafts.

## 12. SUBSEQUENT EVENTS

No material subsequent events have occurred.

## Board of Directors

Mr M. Das, *non-executive director (chairman)*  
 Mrs C.L. de Carvalho-Heineken, *executive director*  
 Mr M.R. de Carvalho, *executive director*  
 Mr J.A. Fernández Carbajal, *non-executive director*  
 Mrs C.M. Kwist, *non-executive director*  
 Mr A.A.C. de Carvalho, *non-executive director*  
 Mrs A.M. Fentener van Vlissingen, *non-executive director*  
 Mrs L.L.H. Brassey, *non-executive director*  
 Mr J.F.M.L. van Boxmeer, *non-executive director*  
 Mr C.A.G. de Carvalho, *non-executive director*

Amsterdam, 29 July 2022

## GLOSSARY

### 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.

### Cash conversion ratio

Free operating cash flow/net profit (beia) before deduction of non-controlling interests.

### Cash flow (used in)/from operational investing activities

This represents the total of cash flow from sale and purchase of Property, plant and equipment and Intangible assets, proceeds and receipts of Loans to customers and Other investments.

### Centrally available financing headroom

This consists of the undrawn part of revolving credit facility and cash minus commercial paper and other short-term borrowings.

### Consolidation changes

Changes as a result of acquisitions and disposals.

### Depletions

Sales by distributors to the retail trade.

### Dividend payout

Proposed dividend as percentage of net profit (beia).

### Digital sales value

Value of the digital transactions with our customers for our products via our eB2B platforms at outlet level, including our net revenue and the margin captured by third-party distributors.

### Earnings per share (EPS)

#### Basic

Net profit divided by the weighted average number of shares – basic – during the year.

#### Diluted

Net profit divided by the weighted average number of shares – diluted – during the year.

### EBITDA

Earnings before interest, taxes, net finance expenses, depreciation and amortisation. EBITDA includes HEINEKEN's share in net profit of joint ventures and associates.

### Effective tax rate

Income tax expense expressed as a percentage of the profit before income tax, adjusted for share of profit of associates and joint ventures.

### Eia

Exceptional items and amortisation of acquisition-related intangible assets.

### Exceptional items

Items of income and expenses 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.

### Free operating cash flow

This represents the total of cash flow from operating activities and cash flow from operational investing activities.

### Group net revenue (beia)

Consolidated net revenue (beia) plus attributable share of net revenue (beia) from joint ventures and associates.

### Group operating profit (beia)

Consolidated operating profit (beia) plus attributable share of operating profit (beia) from joint ventures and associates, excluding Head Office and eliminations.

### HEINEKEN

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

### Net debt

Non-current and current interest-bearing borrowings (incl. lease liabilities), bank overdrafts and market value of cross-currency interest rate swaps less cash, cash equivalents and other investments.

**Net profit**

Profit after deduction of non-controlling interests (profit attributable to shareholders of Heineken Holding N.V.).

**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.

**Organic growth**

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

**Organic volume growth**

Growth in volume, excluding the effect of consolidation changes.

**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.

**Profit**

Total profit of HEINEKEN before deduction of non-controlling interests.

®

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

**Region**

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

**Volume**

*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.

**Beer volume**

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.

**Non-beer volume**

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

**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.

**Licensed volume**

100% of volume from HEINEKEN's beer brands 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.

**LONO**

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

**Flavoured alcoholic beverages (FAB)**

All flavoured alcoholic beverages in the segments of alcoholic soft drinks, pre-mixed spirits, wine coolers, beer mixes, flavoured beer and cider.

**Weighted average number of shares****Basic**

Weighted average number of outstanding shares.

**Diluted**

Weighted average number of shares outstanding, adjusted for the weighted average number of own shares purchased or held.