HEINEKEN

MEDIA RELEASE

Heineken N.V. reports 2021 full year results

Amsterdam, 16 February 2022 – Heineken N.V. (EURONEXT: HEIA; OTCQX: HEINY) announces:

Key Highlights

- Net revenue (beia) organic growth 12.2%; per hectolitre 8.3%
- Consolidated beer volume 4.6% organic growth
- Heineken® volume growth 17.4%, well ahead of 2019
- Gross savings close to €1.3 billion, on-track to deliver €2 billion by 2023
- Operating profit (beia) organic growth 43.8%, margin 15.6% (+331 bps)
- Net profit (beia) €2,041 million, 80.2% organic growth
- Diluted EPS (beia) €3.54 (2020: €2.00)

CEO Statement

Dolf van den Brink, Chairman of the Executive Board / CEO, commented:

"We delivered a strong set of results in 2021 in a challenging and fast-changing environment. I am proud of how our colleagues, customers, and suppliers continued to adapt, support one another, and deliver these results.

We made a big step towards recovering to pre-pandemic levels, and in parts going beyond. I am pleased with the great momentum of the Heineken® brand, the renewal of our brand and product portfolio, the acceleration of our digital transformation and how we are strengthening our footprint with the acquisition of UBL in India and our announced intentions for Southern Africa. We raised the bar on sustainability and responsibility and are making big strides in right-sizing our cost base.

Looking ahead, although the speed of recovery remains uncertain and we face significant inflationary challenges, we are encouraged by the strong performance of our business and how EverGreen is taking shape. This gives me confidence we are on course to deliver superior and balanced growth to drive sustainable long-term value creation."

Financial Summary[1]

IFRS Measures	€ million	Total growth	BEIA Measures	€ million	Organic growth[2]
Revenue	26,583	11.8%	Revenue (beia)	26,583	11.4%
Net revenue	21,941	11.3%	Net revenue (beia)	21,901	12.2%
Operating profit	4,483	476.2%	Operating profit (beia)	3,414	43.8%
			Operating profit (beia) margin (%)	15.6%	
Net profit	3,324		Net profit (beia)	2,041	80.2%
Diluted EPS (in €)	5.77		Diluted EPS (beia) (in €)	3.54	76.8%
			Free operating cash flow	2,514	
			Net debt / EBITDA (beia)[3]	2.6x	

[1] 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 24 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, as management believes that this measurement is the most relevant in evaluating the results.
[2] Organic growth shown, except for Diluted EPS (beia), which is total growth.
[3] Includes acquisitions and excludes disposals on a 12-month pro-forma basis.

Operational Review

During 2021, we deployed our EverGreen strategy across the business, designed to emerge stronger from the COVID-19 crisis and adapt to new external dynamics for superior and balanced growth with enhanced profitability, whilst simultaneously raising the bar on sustainability and responsibility.

DRIVING SUPERIOR GROWTH

Our superior growth ambition is grounded in building a favourable geographic footprint, our strong premium beer brands, including non-alcoholic variants and developing winning beverage propositions in fast-growing segments.

Net revenue (beia) for the full year 2021 increased by 12.2% organically, with total consolidated volume growing by 3.6% and net revenue (beia) per hectolitre up 8.3%. The underlying price-mix on a constant geographic basis was up 7.1%, driven by assertive pricing and premiumisation, with the regions Americas and Africa, Middle East and Eastern Europe (AMEE) growing double-digits. Currency translation negatively impacted net revenue (beia) by €515 million or 2.6%, mainly driven by the Brazilian Real and the Nigerian Naira. The consolidation of United Breweries Limited (UBL) in India positively impacted net revenue (beia) by €280 million or 1.4%.

In the second half of the year, net revenue (beia) grew 10.6% organically. We took further pricing actions and accelerated net revenue (beia) per hectolitre growth to 11.0%. Underlying price-mix in the second half was up 8.8% primarily driven by Nigeria, Brazil, Mexico and Europe, the latter benefiting from an improved channel mix. Total consolidated volume declined slightly by 0.3%, mainly impacted by the restrictions in the Asia Pacific region.

Beer volume grew 4.6% organically for the full year. In the fourth quarter, beer volume grew 6.2%, benefiting from fewer restrictions in Europe relative to last year, continued momentum in the Americas and AMEE, and a sequential recovery in Asia Pacific (APAC) relative to the third quarter.

Beer volume[1]

(in mhl)	**4Q21**	4Q20	Organic growth	**FY21**	FY20	Organic growth
Heineken N.V.	**61.1**	56.2	6.2%	**231.2**	221.6	4.6%
Africa Middle East & Eastern Europe	**10.1**	11.2	4.5%	**38.9**	39.6	10.4%
Americas	**23.9**	22.5	6.5%	**85.4**	79.1	8.2%
Asia Pacific	**10.0**	7.6	-9.0%	**29.4**	28.1	-11.7%
Europe	**17.1**	14.8	15.0%	**77.5**	74.8	3.8%

[1] 2021 volume reflects the shift of malt-based, unfermented, non-alcoholic drinks from Beer to Non-Beer Volume. Organic growth has been corrected.

Driving premiumisation at scale, led by Heineken®

Premium beer volume grew 10.0%, outperforming the portfolio in the majority of our markets, and accounts for more than 60% of our total organic growth in beer volume in 2021. Our growth in premium is led by **Heineken®,** up 17.4%, significantly outperforming the total beer market and well ahead of 2019. The growth was broad-based with more than 60 markets growing double-digits in 2021.

The outstanding growth of Heineken® Original was further supported by the strong performance of its line extensions. **Heineken® Silver** more than doubled its volume, driven by excellent performances in China and Vietnam. Building on this success, we will roll-out Heineken® Silver internationally to reach more than 20 markets in 2022.

Heineken® volume

(in mhl)	**4Q21**	Organic growth	**FY21**	Organic growth
Total	**13.3**	24.1%	**48.8**	17.4%
Africa Middle East & Eastern Europe	**1.9**	19.9%	**6.7**	24.6%
Americas	**6.0**	34.4%	**19.6**	22.9%
Asia Pacific	**1.9**	4.5%	**7.1**	14.6%
Europe	**3.5**	23.3%	**15.5**	9.4%

Our **world-class sponsorships** are a unique vehicle to connect and reach consumers, and 2021 was our biggest year in history despite COVID-19 restrictions. The UEFA Champions League and Euro 2020 took place in 2021, and Heineken® invited fans to come together and be rivals again, with only the Euro 2020 reaching more than 5 billion views.

Formula 1 and Formula E were a highlight with the Dutch Grand Prix cruising Heineken®'s home ground for the first time since 1985 at Circuit Zandvoort in the Netherlands. We celebrated the 2020 Olympics and joined in to cheer on all athletes as they competed in Tokyo. To promote gender equality in sports, Heineken® announced several upcoming sponsorships of women's sports, including UEFA Women's Football and the Formula 1 W Series. The highly anticipated Bond movie, "No Time to Die", was released 30 September 2021 featuring Daniel Craig and a crisp bottle of Heineken®. It was "well worth the wait."

We accelerated premiumisation at scale via our **international brands portfolio,** complementing Heineken® in addressing specific consumer needs. **Amstel** grew volume in the mid-twenties, with 20 markets growing double-digits, with in-market results particularly strong in Brazil, Mexico, South Africa and Nigeria. Leveraging its success in Brazil and high impact platforms like the Copa Libertadores, the brand has now expanded into six markets in South America. Amstel Ultra reached more than 1 million hectolitres in Mexico and began its international roll-out, reaching 11 new markets in 2021 with more to come in 2022. Amstel Ultra and Amstel 0.0 appeal to a younger, more health-conscious consumer group, and this year served up a partnership with Rafa Nadal promoting moderation as part of an active balanced lifestyle. **Birra Moretti** grew in the high-twenties, sharing the true taste of Italy across Europe. It reached more than 1 million hectolitres in the UK alone, grew rapidly in Romania, Switzerland and Ireland, and was successfully launched in the Netherlands, Germany and Serbia. **Tiger** was heavily impacted by the lockdowns in Vietnam and Cambodia and declined in the teens, with the last quarter showing improving trends in volume and market share as restrictions eased. Outside Asia, the brand rallied as it almost doubled its volume in Nigeria and continued its global expansion with launches in Brazil and Peru. Tiger Crystal continues to grow and expanded into 14 markets in 2021. **Sol** grew slightly driven by strong growth in Chile, South Africa and Canada. **Edelweiss** grew in the mid-teens as it brought consumers the taste of the Alps with its first global campaign, reinvigorating the growth in South Korea and launching in China, Vietnam, Singapore, Malaysia and Russia. **Lagunitas**, although falling short of our internal ambitions in the USA, continued to grow internationally playing meaningfully in the IPA premium beer segment. The brand grew double-digits in Brazil, France, Italy, and the Netherlands and was launched in Russia, Greece, South Korea, and with local production in Mexico.

We are making **fewer, bigger bets on premium local brands**. In Europe, we carefully selected brands specifically meeting the needs of younger consumers, resulting in growth in the thirties this year and representing now c.8% of volume in Europe. In Brazil, we are leveraging the strength of the Coca-Cola System to significantly increase the distribution of Eisenbahn. In Ethiopia, Bedele Especial continues to lead the growth of our local premium portfolio.

Pioneer choice in low & no-alcohol

Consumers are increasingly looking for healthy hydration and a tasty, adult refreshment with lower or no alcohol content to enjoy on any occasion. Meeting this consumer need, our **Low & No-Alcohol (LONO) portfolio** grew more than 10%, reaching 15.4 million hectolitres (2020: 14.0 million). We strengthened our global leadership in the non-alcoholic segment with the growth in the low-teens of our portfolio, led by Heineken® 0.0 and Maltina in Nigeria. **Heineken® 0.0,** the largest non-alcoholic beer brand in the world, grew in the thirties, with an outstanding performance in the Americas region. Heineken® 0.0 has now been introduced in more than 100 markets. We are rapidly testing and scaling non-alcoholic alternatives; for example, we launched Desperados Virgin 0.0, bringing the Desperados vibe to any occasion - without the alcohol.

Intentionally expand beyond beer

We aim to stretch our product portfolio **beyond beer** to reach a spectrum of consumer needs, including fast-growing segments loved by young consumers.

Desperados continued its momentum and grew in the high-teens, driven by its core markets in Europe, particularly France, and successful expansion into Africa with the launches in Nigeria and Ivory Coast. The brand launched its new Go Desperados creative platform, designed to capture the essence of the brand – inviting people to try new things and pour some unusual in their lives. Desperados launched the world’s first dance-powered app, Rave to Save, providing hybrid experiences by connecting people at home with parties around the world through holograms and virtual reality, simultaneously raising money for nightclubs affected by the pandemic. To date, it has realised over 15 million dance steps.

Cider volume grew by a mid-single-digit to 4.9 million hectolitres (2020: 4.6 million), mainly driven by Strongbow following the recovery of South Africa and the acquisition of the brand in Australia. In the UK, cider volume declined by a mid-single-digit, as a result of the pub closures in the first half of the year.

We continue to experiment across different markets in the **Hard Seltzer** category, for example with Amstel Ultra Hard Seltzer in Mexico, Dos Equis Ranch Water in the USA, Doctor Diesel Hard Seltzer Lemonade in Russia and Pure Piraña in Europe, Mexico and New Zealand.

Build a future-fit digital route-to-consumer

Digitalisation trends have accelerated, consumers are changing shopping patterns and customers are adapting to new realities. We aim to be the best connected brewer, leveraging our strong customer relationships to build a future-fit digital route-to-consumer. In 2021 we increased our investment to strengthen our capabilities and scale our **e-commerce platforms:**

- We accelerated the deployment of our **business-to-business digital (eB2B) platforms** in all regions. We now operate them in 30 markets, representing 75% of our net revenue. With these platforms, our customers in the fragmented trade can grow their business with more and better services and data insights, while we can increase sales and productivity.
- We captured **€2.8 billion in digital sales value**, a growth of 130% versus last year, driven by strong growth in Mexico, Brazil, Vietnam, Nigeria, the UK, Italy, France, Cambodia, Singapore, Egypt and Ireland, and well on-track to €10 billion by 2025. In 2021, we captured close to one-third of the net revenue (beia) of the fragmented trade in our markets via our eB2B platforms, and almost half by the end of the year. During 2021 we connected with close to 370,000 active customers during the year, more than 3x last year.
- **Beerwulf,** our direct-to-consumer (D2C) platform in Europe, grew its revenue in the high-thirties, mainly driven by sales of our home-draught systems, especially the Blade in the UK and the Netherlands.
- In Mexico, following all the learnings from Six-2-Go, we launched our new D2C platform **GLUP**, with a value proposition designed to delight consumers who want beer, beverages and more delivered in less than 60 minutes.

Strengthen and optimise our footprint

We continue to develop and expand our **geographical and portfolio footprint** to build a long-term, sustained growth advantage.

On 29 July 2021, HEINEKEN obtained control of **United Breweries Limited (UBL)**. UBL is now a top HEINEKEN operating company, and Kingfisher a top five global brand with an exciting long-term growth opportunity. Integration of UBL is progressing as planned.

On 15 November 2021, HEINEKEN announced that it has entered into an Implementation Agreement with Distell Group Holdings Limited ('Distell'), Namibia Breweries Limited ('NBL') and Ohlthaver & List Group of Companies to integrate their respective and relevant businesses to **create a regional beverage champion for Southern Africa**. Completion of the proposed transaction is conditional on obtaining shareholder and regulatory approvals including anti-trust approval in South Africa, Namibia and certain other African countries. If all the conditions are fulfilled, completion of the proposed transaction is expected in the third quarter of 2022.

We have also addressed most of our **value-dilutive operations**, including restructuring of our businesses in the Philippines and Lebanon; whilst making steady progress towards sustained scale and profitability in recent market entries like Ecuador and Peru.

FUNDING THE GROWTH

To support our growth ambitions, offset inflationary pressures, restore our profitability and thereafter gear our business to deliver operating leverage consistently, we are **structurally addressing our cost base and building a cost-conscious culture**.

At the end of 2020, we launched a **productivity programme** targeting €2 billion of structural gross savings by 2023, relative to our cost base of 2019. Five quarters into the programme we achieved much: we streamlined our organisation, reduced unnecessary portfolio complexity, lowered conversion and logistics costs and took unproductive non-consumer facing investment out. By the end of 2021, we captured close to €1.3 billion gross savings versus our cost base of 2019, putting us well on track to deliver on our 2023 objective.

As important, we now have a company-wide, **systematic approach** to find cost opportunities. Projects and initiatives are captured in a standardised tool and follow a disciplined project management funnel approach to bring ideas to maturity and value realisation.

Next to the gross savings delivered by our productivity programme, we also took drastic **cost mitigating actions** to partially offset the financial impact from lockdowns and other restrictions to operate. These actions resulted in a reduction of expenses (beia) of circa €0.5 billion relative to 2019, mainly related to marketing, selling and personnel expenses. These cost mitigation actions are by nature non-repeating benefits and are expected to reverse next year.

Operating profit (beia) grew 43.8% organically with a strong recovery in Europe, AMEE and the Americas, partially offset by the impact of the pandemic in APAC. Currency translation negatively impacted operating profit (beia) by €98 million, or 4.0%, mainly driven by the Brazilian Real, the Surinamese Dollar, the Vietnamese Dong and the Ethiopian Birr. Operating profit grew by 476.2% mainly due to the exceptional gain this year from the remeasurement to fair value of the previously held equity interest in UBL in India, and the exceptional losses from last year's impairments and restructuring provisions.

Net profit (beia) grew 80.2% organically to €2,041 million (2020: €1,154 million), driven by the increase in operating profit. Currency translation negatively impacted net profit (beia) by €43 million or 3.7%, mainly driven by the Brazilian Real, the Vietnamese Dong and the US Dollar. **Net profit** after exceptional items and amortisation of acquisition-related intangibles was €3,324 million (2020: €204 million loss), driven by the same variances in exceptional items as operating profit.

For more details, please refer to the Financial Review.

RAISING THE BAR ON SUSTAINABILITY AND RESPONSIBILITY

In 2021, we launched the next phase of our sustainability and responsibility strategy in the form of 22 new Brew a Better World commitments focusing on three areas: Raising the bar on climate action, accelerating our social sustainability agenda and driving our brands to be more ambitious in promoting moderate consumption of alcohol.

Environmental: Path to zero impact

In April 2021, we shared our goal to reach net zero **carbon emissions** in our full value chain 10 years ahead of the Paris Agreement. Our stepped-up ambition to decarbonize first in production by 2030 has been approved by the Science Based Targets initiative (SBTi), with scope 1 and 2 reductions in line with the 1.5°C climate change pathway. With 2018 as a baseline, we have reduced absolute carbon emissions in production by 16%. We also published a climate action plan that explains the actions we are taking to become net zero. We continue working with SBTi to validate our long-term 2040 target.

We continue to focus on **healthy watersheds** via efficient water usage, wastewater management and water security. Aligned with our 2030 commitments, we aim to further reduce water usage to 2.6 hectolitre per hectolitre (hl/hl) in water-stressed areas and 2.9 hl/hl worldwide. By the end of 2021, we reached 3.1 hl/hl and 3.4 hl/hl, respectively. 23 of our 31 sites in water-stressed areas have begun watershed protection programmes with the aim to fully balance our water use by 2030, one third of these sites are already fully balanced.

Social: Path to an inclusive, fair and equitable world

While our percentage of women in senior management has doubled from a decade ago, much opportunity remains in terms of **gender diversity**. By the end of 2021, 25% of our senior management positions were held by women. Our commitment is to increase this percentage to at least 30% by 2025 and 40% by 2030 on the path to gender balance.

We also commit to **equal pay** for equal work between female and male colleagues and want to ensure that all our employees worldwide earn at least a fair wage[1] by 2023 with a focus on the most vulnerable communities. By the end of 2021, 97% of operating companies have been assessed on equal pay and we will have actions in place to close any gaps by 2023. Regarding **fair wage**, 63% of operating companies have been assessed so far, of which 99% are compliant.

Responsible: Path to moderate and no harmful use

Our ambition is to make 0.0 alcohol options available for consumers everywhere so that there is **always a choice**. Heineken® 0.0 is now available in more than 100 markets and, by 2023, we will ensure a zero-alcohol option is available for at least two strategic brands in the majority of our operating companies, accounting for 90% of our business by volume. By the end of 2021, we were at 43%.

We will continue to use the power of our flagship brand to promote moderation. We commit 10% of all Heineken® media spend to advance responsible consumption campaigns and to **make moderation cool**. Through this effort, we

[1] A fair wage is often higher than the minimum wage and should be sufficient for a decent standard of living, covering the basic needs for the employee and his or her family: from food, housing and education to healthcare, transportation and some discretionary income and savings. Data on Fair Wages is obtained through the Fair Wage Network.

will reach one billion people with moderation messaging annually. In 2021, our operating companies invested over 10% of Heineken® media spend in dedicated responsible consumption campaigns. In total, we have reached 1.2 billion unique consumers worldwide.

Governance

In 2021, we continued to raise the bar on our ways of working, **governance** and transparent reporting. Given the importance of sustainability and responsibility for long-term value creation:

- We formally added sustainability and responsibility to our long-term value creation model, the Green Diamond
- We started two Sustainability & Responsibility Committees: one at Supervisory Board level and one at Executive Management level
- We committed to the World Economic Forum's Stakeholder Capitalism Metrics (WEF) and the Task Force on Climate-related Financial Disclosures (TCFD), which both aim to improve quality and consistency of climate-related disclosures
- We assessed how best to align our remuneration policy with our sustainability ambitions; a proposal will be shared during our Annual General Meeting in April 2022

More details on these and other areas of our 2030 strategy are available on our website and in our 2021 Annual Report.

Outlook Statements

We launched our EverGreen strategy in February 2021 to future-proof our business and deliver superior, balanced growth for sustainable, long-term value creation. It requires us to constantly navigate the long-term transformation with the short-term financial delivery under fast-changing external circumstances. We are encouraged by the progress made, witnessed by the strong performance of our business in 2021 and how EverGreen is taking shape.

In 2022, we will continue to navigate an uncertain environment and expect COVID-19 to still have an impact on revenues. Our plans assume markets in APAC to progressively bounce back during the year, yet full recovery of the on-trade in Europe may take longer.

We also expect to be significantly impacted by inflation and supply chain resilience pressures. More specifically, we expect our input cost per hectolitre (beia) to increase in the mid-teens given our hedged positions and the sharp increase in the prices of commodities, energy, and freight. We will offset these input cost increases through pricing in absolute terms, which may lead to softer beer consumption.

Reflecting our confidence in the long-term, we intend to reverse the cost mitigation actions undertaken in 2021 and to further step up our investments in brand support and our digital and sustainability initiatives. This investment will be partially offset by further delivery of gross savings from our productivity programme. These changes are expected to have a greater impact in the first half of the year.

Overall, we expect a stable to modest sequential improvement in operating profit margin (beia) in 2022. Whilst continuing to target 17% operating margin (beia) in 2023 and operating leverage beyond, there is increased uncertainty given current and evolving economic and input cost circumstances. Therefore, we will update the 2023 guidance later in the year.

We also anticipate:

- An average effective interest rate (beia) broadly in line with 2021 (2021: 2.7%)
- Capital expenditure related to property, plant and equipment and intangible assets of around €2 billion (2021: €1.6 billion)
- An effective tax rate (beia) of around 28% (2021: 29.9%), back to the level of 2019.

Total Dividend For 2021

The Heineken N.V. dividend policy is to pay a ratio of 30% to 40% of full year net profit (beia). For 2021, a total cash dividend of €1.24 per share, representing an increase of 77.1% (2020: €0.70), and a payout ratio of 35.0%, in the middle of the range of our policy, will be proposed to the Annual General Meeting on 21 April 2022 ("2022 AGM"). If approved, a final dividend of €0.96 per share will be paid on 3 May 2022, as an interim dividend of €0.28 per share was paid on 11 August 2021. The payment will be subject to a 15% Dutch withholding tax. The ex-dividend date for Heineken N.V. shares will be 25 April 2022.

Translational Calculated Currency Impact

The translational currency impact for 2021 was negative, amounting to €515 million on net revenue (beia), €98 million at operating profit (beia) and €43 million at net profit (beia).

Applying spot rates as of 14 February 2022 to the 2021 financial results as a base, the calculated currency translational impact would be positive, approximately €465 million in net revenue (beia), €65 million at operating profit (beia), and €45 million at net profit (beia).

Regional Overview

Net revenue (beia)

(in € million)	**FY21**	FY20	Organic growth
Heineken N.V.	**21,901**	19,724	12.2%
Africa Middle East & Eastern Europe	**3,159**	2,782	25.9%
Americas	**7,226**	6,319	17.9%
Asia Pacific	**2,764**	2,707	-6.1%
Europe	**9,494**	8,631	8.6%
Head Office & Eliminations	**-744**	-716	

Operating profit (beia)

(in € million)	**FY21**	FY20	Organic growth
Heineken N.V.	**3,414**	2,421	43.8%
Africa Middle East & Eastern Europe	**442**	264	89.0%
Americas	**1,215**	1,045	19.5%
Asia Pacific	**753**	867	-13.5%
Europe	**1,160**	447	154.1%
Head Office & Eliminations	**-155**	-202	

Developing markets FY21

(in mhl or € million unless otherwise stated)	Group beer volume	Group net revenue (beia)	Group operating profit (beia)[1]
Developing markets in:	177.6	11,983	2,085
Africa Middle East & Eastern Europe	40.6		
Latin America & the Caribbean	78.1		
Asia Pacific	55.5		
Europe	3.4		
% of Group	64%	48%	53%

[1] Excludes Head Office & Eliminations

Africa Middle East & Eastern Europe (AMEE)

Key financials

(in mhl or € million unless otherwise stated)	**FY21**	FY20	Total growth	Organic growth
Net revenue (beia)	**3,159**	2,782	13.6%	25.9%
Operating profit (beia)	**442**	264	67.2%	89.0%
Operating profit (beia) margin	**14.0%**	9.5%	449 bps	
Total consolidated volume	**50.3**	45.4	10.7%	12.2%
Beer volume	**38.9**	39.6	-1.9%	10.4%
Non-Beer volume	**11.3**	5.7	97.5%	24.5%
Third party products volume	**0.1**	0.1	25.4%	25.4%
Licensed beer volume	*2.4*	*2.1*		
Group beer volume	*41.7*	*42.2*		

Our **Africa, Middle East & Eastern Europe** region presents strong growth opportunities derived from its growing population and urbanisation trends. We are expanding and enhancing our strong market positions with assertive commercial strategies, disciplined cost management, and capital efficiency to ensure we deliver balanced and profitable growth.

Consolidated beer volume grew 10.4% organically, mainly driven by Nigeria, South Africa, and the Democratic Republic of Congo (DRC). The premium portfolio outperformed and grew in the twenties, with a particularly strong performance in Nigeria, South Africa, Russia, Ivory Coast and Rwanda. The low- and non-alcoholic portfolio increased around 10%, driven by the double-digit growth of malts in Nigeria, the DRC and Ethiopia. Total volume was slightly ahead of 2019, driven by the performance in many markets across the region, especially Nigeria and the DRC.

Net revenue (beia) grew 25.9% organically, with total consolidated volume up 12.2% and net revenue (beia) per hectolitre up 12.2%. Price mix was up 12.5% on a constant geographic basis, driven by strong pricing across the region, particularly Nigeria and Ethiopia, and premiumisation, especially in Russia, Nigeria and Egypt. **Operating profit (beia)** grew 89.0% driven by broad-based growth across the region, particularly South Africa, Nigeria, Egypt, Lebanon, the DRC, Ethiopia and Mozambique.

In **Nigeria,** total volume grew in the low-teens and is well ahead of 2019, held back however by production capacity constraints we are addressing. The premium portfolio grew in the thirties, led by Tiger, Heineken® and the successful introduction of Desperados. The low-and non-alcoholic portfolio grew in the mid-teens, led by Maltina.

In **South Africa,** total volume grew in the forties, ahead of the market. Beer volume grew close to 40%, with strong growth from Heineken®, Amstel and Windhoek. Cider volume grew in the sixties, driven by Strongbow. There were alcohol bans in during January and July, however the impact was less severe than those in 2020.

In **Russia,** beer volume grew by a low-single-digit, driven by the strong double-digit growth of our premium portfolio, ahead of the market. The growth was led by Heineken®, Miller and Dr Diesel. We enhanced the repertoire of flavours of Dr Diesel with the introduction of Strawberry Lime mix, with reduced calories and no sugar. Our cider portfolio grew double-digits, strengthening our leadership position in this fast growing segment.

In **Ethiopia,** beer volume grew in the low-teens, in line with the market, led by the strong growth of Harar and Bedele. The premium portfolio continued to deliver double-digit growth, driven by Bedele Special. The country continues to face tensions and instability.

In **Egypt,** total volume grew by a high-single-digit, led by the strong recovery of our beer, wine and spirits portfolio, particularly Heineken® in the premium segment. The last quarter of the year saw a strong recovery in tourism as restrictions were lifted. The non-alcoholic portfolio grew by a low-single-digit despite a significant price increase.

In **Ivory Coast,** beer volume grew in the twenties, well ahead of 2019, driven by the strong growth of Heineken® and the successful launch of Desperados under local production.

Beer volume also grew in the double-digits in **the DRC**, **Mozambique**, **Algeria**, **Tunisia, Sierra Leone,** and across many export markets.

Americas

Key financials

(in mhl or € million unless otherwise stated)	**FY21**	FY20	Total growth	Organic growth
Net revenue (beia)	**7,226**	6,319	14.4%	17.9%
Operating profit (beia)	**1,215**	1,045	16.3%	19.5%
Operating profit (beia) margin	**16.8%**	16.5%	28 bps	
Total consolidated volume	**89.4**	86	4.1%	4.1%
Beer volume	**85.4**	79.1	7.9%	8.2%
Non-Beer volume	**3.9**	6.7	-41.4%	-44.9%
Third party products volume	**0.1**	0.1	11.7%	11.7%
Licensed beer volume	*3.1*	*2.1*		
Group beer volume	*97.1*	*89.0*		

The **Americas** represent over 40% of the value of the global beer market and HEINEKEN is well represented, yet a distant number two. We are driving growth in our key markets of Brazil, Mexico and the USA, expanding our footprint and building new consumer-relevant propositions.

Consolidated beer volume grew 8.2% organically, mainly driven by Mexico, finishing in line with 2019. The premium portfolio grew in the low-twenties led by Heineken® in Brazil and Amstel Ultra in Mexico. The low- and non-alcoholic portfolio grew close to 30% due to the strong performance of Heineken® 0.0 in Brazil, Mexico and the USA. Non-beer volume declined 44.9% following the de-listing in Brazil of two litre PET soft drinks with low margins.

Net revenue (beia) grew 17.9% organically, with total consolidated volumes up 4.1% and net revenue (beia) per hectolitre up 13.3%. Price mix was up 10.3% on a constant geographic basis, mainly driven by strong premiumisation and pricing in Brazil with net revenue (beia) per hectolitre growing in the thirties. **Operating profit (beia)** grew by 19.5% organically, mainly driven by Mexico and Brazil.

In **Mexico**, beer volume grew in the high-teens, ahead of the market, and in line with 2019. Our premium portfolio grew by more than 30%, led by Amstel Ultra, Bohemia and Heineken®. Amstel Ultra continued its successful expansion and reached more than 1 million hectolitres. We launched Dos Equis Ultra Lager, the first Mexican Ultra, to further accelerate premiumisation. Heineken® 0.0 continued its strong momentum, growing more than half and strengthening its position as the #1 non-alcoholic beer in the market. We began local production of Lagunitas in October. Our SIX stores accelerated their growth with improved productivity, the development of non-beer categories and the expansion of new stores, reaching close to 15,000 stores by the end of the year.

In **Brazil**, beer volume grew by more than 10% in the fourth quarter, driven by our premium and mainstream portfolios. For the full year, we gained value share in beer as strong pricing and premiumisation effects more than offset a low-single-digit decline in volume. We strengthened our leadership in premium and grew close to 30% in volume led by Heineken® and Eisenbahn. Heineken® volume is now double its pre-pandemic level. Heineken® 0.0 more than doubled its volume, making Brazil the largest market globally for the line extension. Our mainstream portfolio grew in the mid-twenties led by Amstel, Devassa, the launches of Tiger and more recently Amstel Ultra. Our economy portfolio declined close to 30%. We accelerated the deployment of HeiShop, our B2B platform, connecting 100,000 active customers by the end of the year.

In the **USA**, beer volume grew by a low-single-digit, ahead of the market, driven by Heineken®, Dos Equis and our innovations. Heineken® 0.0 strengthened its position as the #1 non-alcoholic beer in the market. Dos Equis grew in the mid-teens, boosted by the success of innovations Dos Equis Lime & Salt, as well as variety packs and Ranch Water.

The strong performance in the region was also supported by strong growth in **Panama**, **Peru**, **Ecuador**, **Jamaica**, and from our joint venture partners in **Chile**, **Colombia**, **Argentina,** and **Costa Rica.**

Asia Pacific

Key financials

(in mhl or € million unless otherwise stated)	**FY21**	FY20	Total growth	Organic growth
Net revenue (beia)	**2,764**	2,707	2.1%	-6.1%
Operating profit (beia)	**753**	867	-13.2%	-13.5%
Operating profit (beia) margin	**27.2%**	32.0%	-481 bps	
Total consolidated volume	**30.4**	28.7	5.8%	-11.1%
Beer volume	**29.4**	28.1	5.0%	-11.7%
Non-Beer volume	**0.9**	0.7	32.8%	5.0%
Third party products volume	**0.1**	0.0	148.5%	148.5%
Licensed beer volume	*3.7*	*2.9*		
Group beer volume	*59.3*	*57.6*		

The **Asia Pacific** region offers a large growth potential, and we are well-positioned to capture it given our strong market positions. We are building brands that serve consumers that often prefer less bitter variants, non-alcoholic beer, and modern wheat. We are also accelerating our growth in Vietnam while broadening our base with investments in future growth markets.

After a strong performance at the start of the year, the region was impacted severely by the pandemic, which led to suspension of breweries, alcohol bans and closing of the on-trade. As a consequence, **consolidated beer volume** declined 11.7% organically, driven by Vietnam, Cambodia and the restructuring of our business in the Philippines, partially offset by double-digit growth in Indonesia, Myanmar, Singapore and Laos. As vaccination rates increased and markets gradually and selectively reopened, we saw encouraging recovery of our business across most markets.

Net revenue (beia) declined 6.1% organically, with net revenue (beia) per hectolitre up 5.7% with a significant positive geographic mix. Price mix was up 2.1% on a constant geographic basis, driven by Malaysia and Indonesia. **Operating profit (beia)** decreased 13.5% organically, driven by Vietnam and Cambodia, partially offset by Indonesia, Malaysia and the Philippines.

In **Vietnam**, our growth momentum was disrupted by the lockdowns introduced between June and September. Beer volume declined in the high-teens, as our strongholds in the South saw the most restrictions, particularly in Ho Chi Minh City. We observed a gradual recovery in the last quarter as the social-distancing measures were lifted and we restored our leadership position towards the end of the year. Bia Viet grew in the high-twenties as we continue to increase our penetration into mainstream and outside our strongholds, while in premium Heineken® grew slightly, driven by the success of Heineken® Silver.

In **India**, beer volume grew in the thirties, outperforming the market, following a progressive recovery and returning back to pre-pandemic levels in the fourth quarter. Premium volume grew ahead of the total portfolio, led by Kingfisher Ultra, Heineken® and Amstel. The integration of UBL is progressing as planned.

In **China**, Heineken® grew strong double-digits, led by the continued excellent momentum of Heineken® Silver. Heineken® volume nearly doubled compared to pre-pandemic levels. China is now the fourth largest market for Heineken® globally.

In **Cambodia**, beer volume declined in the high-teens, in line with the market, driven by lockdown restrictions and alcohol bans. These were relaxed in the fourth quarter and beer volume returned back to growth. We have revamped our route-to-consumer by expanding direct coverage and accelerating the implementation of our B2B platform, which now captures 30% of our net revenue.

In **Malaysia**, beer volume increased by a low-single-digit, outperforming the market and growing by a double-digit in the last quarter of the year. The premium portfolio grew by a high-single-digit, led by Heineken® and the introduction of Edelweiss.

In **Indonesia**, total volume grew in the high-teens, driven by a gradual recovery in the domestic market and the strong growth of Heineken®. The on-trade remains closed, and quarantine requirements are keeping tourists away from Bali.

In **Singapore**, **Myanmar** and **Laos** beer volume outperformed the market and grew in the double-digits, driven by the premium portfolio, led by Heineken®.

Europe

Key financials

(in mhl or € million unless otherwise stated)	**FY21**	FY20	Total growth	Organic growth
Net revenue (beia)	**9,494**	8,631	10.0%	8.6%
Operating profit (beia)	**1,160**	447	159.5%	154.1%
Operating profit (beia) margin	**12.2%**	5.2%	704 bps	
Total consolidated volume	**91.8**	88.8	3.4%	3.5%
Beer volume	**77.5**	74.8	3.6%	3.8%
Non-Beer volume	**9.0**	9.0	-0.5%	-1.0%
Third party products volume	**5.4**	5.0	8.0%	8.0%
Licensed beer volume	*0.7*	*0.7*		
Group beer volume	*80.4*	*77.6*		

Europe is our largest region and as market leaders we aim to grow the category and our market share by tailoring our products to emerging consumer trends and winning in premium whilst leveraging our scale.

Consolidated beer volume grew organically by 3.8%, with the fourth quarter up by 15.0% with restrictions less widespread and severe as compared to last year. Premium beer volume grew in the low-teens, led by Heineken®, Desperados, Birra Moretti, Amstel, Gösser and Ichnusa among many others. On-trade beer volume grew in the high-teens, mainly driven by the growth in the fourth quarter, still below 2019 by more than 30% for the full year. Off-trade beer volume was broadly flat versus last year and yet ahead of 2019 by around 10%, with two-thirds of our markets with stable or growing market share. Third-party volume grew by 8.0% driven by the growth in the last quarter as the on-trade reopened. The non-alcoholic portfolio outperformed the market, led by the growth of Heineken® 0.0 and Desperados Virgin 0.0.

Net revenue (beia) increased by 8.6% organically with net revenue (beia) per hectolitre up 5.4%. Price mix was up 4.3% on a constant geographic basis, with growth across all markets due to positive channel mix, premiumisation, and pricing. **Operating profit (beia)** grew by 154.1% organically with strong growth in all major markets.

In the **UK**, total volume grew by a mid-single-digit, in line with the total market. Consumers show a growing appetite for premium products, driving the growth of our premium beer portfolio by a high-single-digit, led by Birra Moretti and Desperados. Birra Moretti reached more than 1 million hectolitres this year. Our low-and non-alcoholic portfolio grew in the thirties, led by the continued success of Heineken® 0.0. Our pub estate opened quickly and safely, ahead of the wider on-trade.

In **France**, total volume grew by a mid-single-digit, driven by the double-digit growth of our premium beer portfolio, led by Desperados and Affligem. We outperformed the market in the off-trade. Our consumer-led innovations had an excellent performance, particularly Affligem Blanche, Desperados Florida Sunrise and Desperados Virgin Mojito with 4 SKUs in the top 5 liquid innovations in hypermarkets and supermarkets.

In **Spain**, beer volume grew by a high-single-digit and outperformed the market in both the on-trade and off-trade channels, driven by the growth of our premium portfolio, led by Heineken® and El Águila. Our non-alcoholic beer portfolio grew in the mid-teens, led by Amstel Oro 0.0 as it leveraged the partnership with Rafa Nadal, and was further supported by the growth of Heineken® 0.0.

In **Italy**, beer volume grew in the low-teens, outperforming the market in the off-trade. The premium beer portfolio performed particularly well, driven by Messina, Birra Moretti Filtrata a Freddo and Ichnusa. The low- and non-alcoholic portfolio grew in the mid-teens, led by Heineken® 0.0 and Birra Moretti 0.0.

In **Poland**, beer volume declined by a mid-single-digit in a declining market, driven by the economy portfolio. Heineken® and Desperados had a strong performance in the premium segment. The low- and non-alcoholic portfolio grew by a mid-single-digit, driven by Heineken® 0.0 and the launch of Desperados Virgin 0.0.

In the **Netherlands**, beer volume was broadly in line with last year, following a strong recovery in the last quarter. The premium portfolio grew in the low-teens, driven by the successful launch of Birra Moretti l'Autentica and the continued growth of Affligem and Desperados. Birra Moretti was the #1 innovation in beverages in 2021 in the market.

Financial Review

Key figures

(in mhl or € million unless otherwise stated)	FY20	Currency translation	Consolidation impact	Organic growth	**FY21**	Organic growth
Revenue (IFRS/beia)	23,770	-538	647	2,704	**26,583**	11.4%
Excise tax expense (beia)	-4,046	24	-368	-292	**-4,683**	-7.2%
Net Revenue (beia)	19,724	-515	280	2,412	**21,901**	12.2%
Total other expenses (beia)	-17,303	417	-249	-1,352	**-18,487**	-7.8%
Operating profit (beia)	2,421	-98	31	1,060	**3,414**	43.8%
Net interest income/(expenses) (beia)	-470	8	1	59	**-403**	12.5%
Other net finance income/(expenses) (beia)	-146	23	-4	32	**-94**	22.2%
Share of net profit of assoc./ JVs (beia)	147	-6	-7	103	**238**	70.0%
Income tax expense (beia)	-593	14	-6	-287	**-872**	-48.5%
Non-controlling interests (beia)	-205	16	-11	-41	**-241**	-20.1%
Net profit (beia)	1,154	-43	4	925	**2,041**	80.2%
Eia	-1,358				1,283	
Net profit/(loss)	-204				**3,324**	

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

Main changes in consolidation

As part of the organisational redesign of EverGreen, HEINEKEN merged its export business units of Europe and Africa, Middle East & Eastern Europe into a single unit, which is now reported under Europe as of 1 April 2021.

On 23 June 2021, HEINEKEN acquired additional ordinary shares in UBL, taking its shareholding in UBL from 46.5% to 61.5%. On 29 July 2021, HEINEKEN obtained control and consolidated UBL as of that date, following the changes to certain provisions in the Articles of Association of UBL.

Revenue

Revenue was €26,583 million, an increase of 11.8% (2020: €23,770 million). Revenue (beia) increased 11.4% organically to €26,583 million.

Net revenue increased 11.3% to €21,941 million (2020: €19,715 million). Net revenue (beia) increased by 12.2% organically to €21,901 million, with total consolidated volume increasing 3.6% and an increase in net revenue (beia) per hectolitre of 8.3%. Currency developments negatively impacted by €515 million or 2.6%, mainly driven by the Brazilian Real and the Nigerian Naira. The positive impact of consolidation changes was €280 million, related primarily to UBL.

Expenses

Total other expenses were €18,979 million, in line with last year (2020: €18,993 million) as lower exceptional expenses offset the underlying growth in costs. Total other expenses (beia) were €18,487 million, up 7.8% on an organic basis, driven by the increase in volume and higher input costs per hectolitre, partially offset by cost savings from our productivity programme and cost mitigation actions in some markets.

Input costs per hectolitre increased faster in the second half of the year, by a high-single-digit, and closed the year up by a mid-single-digit. The increase was mainly driven by transactional currency effects, particularly from the Brazilian Real, and higher prices of raw and packaging materials, energy, and freight, partially offset by structural costs savings.

Marketing and selling (beia) expenses increased organically by 2.6% and represented 9.5% of net revenue (beia) (2020: 10.4%; 2019: 11.0%), driven by cost mitigation actions in markets under lockdown, lower credit losses and commercial efficiencies from our productivity programme.

Personnel expenses (beia) increased organically with 5.5% to €3,489 million (2020: €3,339 million) driven by the re-instatement of variable pay, partially offset by a lower number of employees. Government support received under different support programmes amounted to €37 million (2020: €49 million), mainly in Europe.

Depreciation & amortisation expenses (beia) decreased organically by 1.7% to €1,539 million (2020: €1,584 million), driven by the impairments of last year in combination with lower investments in assets due to the partial suspension of non-committed CAPEX in 2020.

Operating profit

Operating profit increased to €4,483 million (2020: €778 million) driven by the performance this year, the remeasurement to fair value of the previously-held equity interest in UBL in India, and the impact from exceptional items in 2020, mainly impairments. Operating profit (beia) was €3,414 million, up 43.8% organically, mainly driven by the strong growth in revenue, partially offset by higher variable and personnel expenses. Currency translation had a negative impact of €98 million, mainly from Brazil, Suriname, Vietnam and Ethiopia. Consolidation changes had a positive impact of €31 million or 1.3%.

Net finance expenses (beia)

Net interest expenses (beia) decreased organically by 12.5% to €403 million, reflecting a lower average effective interest rate and a lower average net debt position. The average effective interest rate (beia) in 2021 was 2.7% (2020: 3.0%).

Other net finance expenses (beia) amounted to €94 million, down 22.2% on an organic basis, driven by a lower negative impact from currency revaluations on outstanding foreign currency payables.

Share of net profit of associates and joint ventures (beia)

The share of net profit of associates and joint ventures (beia) amounted to €238 million, including the attributable profit from China Resources Beer (CRB) with a two-month delay (November 2020 to October 2021). The organic increase was €103 million, mainly driven by the strong performance of Cervecerías Chilenas Unidas S.A (CCU) and CRB.

Income tax expense (beia)

The effective tax rate (beia) was 29.9% (2020: 32.8%). The decrease is mainly driven by the increase in the profit before tax basis. As a result, the effect of permanent items is lower and we have fewer losses for which no deferred tax assets could be recognised.

Net profit and loss

The net profit for 2021 was €3,324 million (2020: €204 million loss). Net profit (beia) increased organically by €925 million to €2,041 million. The impact on net profit (beia) of currency translation was negative €43 million (3.7%), and of consolidation changes positive €4 million (0.3%).

Exceptional items & amortisation of acquisition-related intangibles (eia)

Exceptional items are defined as 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. 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, the tax impact on exceptional items and tax rate changes (the one-off impact on deferred tax positions).

The impact of eia on net profit amounted to a benefit of €1,283 million (2020: €1,358 million expense). On operating profit, the impact of eia amounted to a benefit of €1,069 million (2020: €1,643 million expense).

Amortisation of acquisition-related intangibles recorded in operating profit amounted to €286 million (2020: €273 million). Net exceptional benefit items recorded in operating profit amounted to €1,355 million (2020: €1,370 million expenses), of which:

- €41 million benefit on excise tax (2020: €8 million expenses)
- €1,270 million gain on previously-held equity interest from UBL and €187 million benefit from tax credits in Brazil recorded in other income (2020: nil)
- €108 million in impairments (net of reversals), including €203 million for Lagunitas (total impairments in 2020: €963 million)
- €32 million in restructuring expenses (2020: €331 million)
- €3 million of other net exceptional expenses, including loss on disposals (2020: €68 million)

Please refer to page 24 for a description of the exceptional items and amortisation of acquisition-related intangibles below operating profit.

Capital expenditure and cash flow

Capital expenditure related to property, plant and equipment and intangible assets (CAPEX) amounted to €1,597 million (2020: €1,640 million; 2019: €2,101 million) representing 7.3% of net revenue (beia). The investments of the year amounted to €1,769 million (2020: €1,389 million; 2019: €2,215 million) and include capacity expansions in Brazil, Vietnam, Nigeria and Italy and the acquisition of Strongbow in Australia. The lower CAPEX versus 2019 is driven by delays in the execution of some projects, mainly COVID-19 related.

Free operating cash flow amounted to €2,514 million (2020: €1,513 million; 2019: €2,228 million), ahead of 2020 mainly due to higher cash flow from operating activities, and ahead of 2019 mainly due to lower CAPEX. Delayed payments of value-added taxes, granted by governments in some countries, had a negative impact of €154 million in 2021.

Financial structure

Total gross debt amounted to €16,873 million (2020: €18,196 million). Net debt decreased to €13,658 million (2020: €14,210 million) as the positive free operating cash flow exceeded the cash outflow for dividends, acquisitions, and the negative foreign currency impact on debt.

Including the effect of cross-currency swaps, 65% of net debt is Euro-denominated, and 22% is US dollar and US dollar proxy currencies. The pro-forma 12 month rolling net debt/EBITDA (beia) ratio was 2.6x on 31 December 2021 (2020: 3.4x). HEINEKEN is committed to returning to the Company's long-term target net debt/EBITDA (beia) ratio of below 2.5x.

The centrally available financing headroom at Group level was approximately €4.6 billion as at 31 December 2021 (2020: €5.2 billion) and consisted of the undrawn committed revolving credit facility and cash minus short-term bank borrowings.

Average number of shares

HEINEKEN has 576,002,613 shares in issue. In the calculation of basic EPS, the weighted average number of shares outstanding was 575,740,269 (2020: 575,625,598).

In the calculation of 2021 diluted EPS (beia), shares to be delivered under the employee incentive programme (229,127 shares) are added to the weighted average shares outstanding. The weighted average diluted number of shares outstanding was 575,969,395 (2020: 575,821,605).

Full Year 2021 Consolidated Metrics

In mhl or €million unless otherwise stated & consolidated figures unless otherwise stated	FY20	Currency translation	Consolidation impact	Organic growth	**FY21[1]**	Organic growth
Africa, Middle East & Eastern Europe						
Net revenue (beia)	2,782	-274	-69	720	**3,159**	25.9%
Operating profit (beia)	264	-47	-10	235	**442**	89.0%
Operating profit (beia) margin	9.5%				**14.0%**	
Total consolidated volume	45.4		-0.7	5.5	**50.3**	12.2%
Beer volume	39.6		-4.9	4.1	**38.9**	10.4%
Non-beer volume	5.7		4.2	1.4	**11.3**	24.5%
Third party products volume	0.1		—	0.0	**0.1**	25.4%
Licensed beer volume	*2.1*				*2.4*	
Group beer volume	*42.2*				*41.7*	
Americas						
Net revenue (beia)	6,319	-224	—	1,131	**7,226**	17.9%
Operating profit (beia)	1,045	-33	—	203	**1,215**	19.5%
Operating profit (beia) margin	16.5%				**16.8%**	
Total consolidated volume	86.0		—	3.5	**89.4**	4.1%
Beer volume	79.1		-0.2	6.5	**85.4**	8.2%
Non-beer volume	6.7		0.2	-3.0	**3.9**	-44.9%
Third party products volume	0.1		—	—	**0.1**	11.7%
Licensed beer volume	*2.1*				*3.1*	
Group beer volume	*89.0*				*97.1*	
Asia Pacific						
Net revenue (beia)	2,707	-62	283	-164	**2,764**	-6.1%
Operating profit (beia)	867	-28	31	-117	**753**	-13.5%
Operating profit (beia) margin	32.0%				**27.2%**	
Total consolidated volume	28.7		4.9	-3.2	**30.4**	-11.1%
Beer volume	28.1		4.7	-3.3	**29.4**	-11.7%
Non-beer volume	0.7		0.2	—	**0.9**	5.0%
Third party products volume	0.0		—	0.1	**0.1**	148.5%
Licensed beer volume	*2.9*				*3.7*	
Group beer volume	*57.6*				*59.3*	
Europe						
Net revenue (beia)	8,631	42	77	744	**9,494**	8.6%
Operating profit (beia)	447	13	11	689	**1,160**	154.1%
Operating profit (beia) margin	5.2%				**12.2%**	
Total consolidated volume	88.8		-0.1	3.1	**91.8**	3.5%
Beer volume	74.8		-0.1	2.8	**77.5**	3.8%
Non-beer volume	9.0		—	-0.1	**9.0**	-1.0%
Third party products volume	5.0		—	0.4	**5.4**	8.0%
Licensed beer volume	*0.7*				*0.7*	
Group beer volume	*77.6*				*80.4*	
Head Office & Eliminations						
Net revenue (beia)	-716	2	-11	-20	**-744**	n.a.
Operating profit (beia)	-202	-2	—	49	**-155**	n.a.
Heineken N.V.						
Net revenue (beia)	19,724	-515	280	2,412	**21,901**	12.2%
Total expenses (beia)	-17,303	417	-249	-1,352	**-18,487**	-7.8%
Operating profit (beia)	2,421	-98	31	1,060	**3,414**	43.8%
Operating profit (beia) margin	12.3%				**15.6%**	
Share of net profit of associates /JVs (beia)	147	-6	-7	103	**238**	70.0%
Net Interest income / (expenses) (beia)	-470	8	1	59	**-403**	12.5%
Other net finance income / (expenses) (beia)	-146	23	-4	32	**-94**	22.2%
Income tax expense (beia)	-593	14	-6	-287	**-872**	-48.5%
Minority Interests	-205	16	-11	-41	**-241**	-20.1%
Net profit (beia)	1,154	-43	4	926	**2,041**	80.2%
Total consolidated volume	248.9		4.1	9.0	**262.0**	3.6%
Beer volume	221.6		-0.5	10.2	**231.2**	4.6%
Non-beer volume	22.1		4.6	-1.7	**25.1**	-7.5%
Third party products volume	5.2		—	0.5	**5.7**	9.3%
Licensed beer volume	*7.8*				*9.9*	
Group beer volume	*266.4*				*278.5*	

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

[1] 2021 volume reflects the shift of malt-based, unfermented, non-alcoholic drinks from Beer to Non-Beer Volume. Organic growth has been corrected.

Fourth Quarter 2021 Metrics

In mhl unless otherwise stated & consolidated figures unless otherwise stated	4Q20	Consolidation impact	Organic growth	**4Q21**[1]	Organic growth
Africa, Middle East & Eastern Europe					
Total consolidated volume	12.7	-0.2	0.5	**13.0**	3.9%
Beer volume	11.2	-1.6	0.5	**10.1**	4.5%
Non-beer volume	1.5	1.4	—	**2.9**	-0.2%
Third party products volume	—	—	—	**—**	—
Licensed beer volume	*0.6*			*0.7*	
Group beer volume	*11.9*			*10.9*	
Americas					
Total consolidated volume	24.4	—	0.4	**24.8**	1.6%
Beer volume	22.5	-0.1	1.5	**23.9**	6.5%
Non-beer volume	1.9	0.1	-1.1	**0.8**	-58.4%
Third party products volume	—	—	—	**—**	—
Licensed beer volume	*0.8*			*1.0*	
Group beer volume	*26.7*			*27.4*	
Asia Pacific					
Total consolidated volume	7.8	3.1	-0.7	**10.2**	-8.6%
Beer volume	7.6	3.0	-0.7	**10.0**	-9.0%
Non-beer volume	0.2	0.1	0.0	**0.2**	-1.2%
Third party products volume	—	—	—	**—**	—
Licensed beer volume	*0.8*			*0.9*	
Group beer volume	*15.2*			*16.5*	
Europe					
Total consolidated volume	17.6	—	3.0	**20.6**	17.2%
Beer volume	14.8	—	2.2	**17.1**	15.0%
Non-beer volume	1.9	—	0.2	**2.1**	8.6%
Third party products volume	0.8	—	0.6	**1.4**	76.5%
Licensed beer volume	*0.1*			*0.2*	
Group beer volume	*15.4*			*17.8*	
Heineken N.V.					
Total consolidated volume	62.5	3.0	3.2	**68.7**	5.2%
Beer volume	56.2	1.4	3.5	**61.1**	6.2%
Non-beer volume	5.4	1.5	-0.9	**6.0**	-17.1%
Third party products volume	0.9	—	0.7	**1.5**	76.6%
Licensed beer volume	*2.4*			*2.8*	
Group beer volume	*69.3*			*72.5*	

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

[1] 2021 volume reflects the shift of malt-based, unfermented, non-alcoholic drinks from Beer to Non-Beer Volume. Organic growth has been corrected.

Supervisory Board Composition

Mr. J.M. Huët (Chairman), Mr. J.A. Fernández Carbajal (Vice-Chairman), Mr. J.G. Astaburuaga Sanjiinés and Mrs. M.H. Helmes will have completed their four-year appointment terms per the end of the AGM on 21 April 2022.

A non-binding nomination for the reappointment of Mr. Huët for a period of two years shall be submitted to the AGM for approval. This is in line with the Dutch Corporate Governance Code, that provides that after two four years appointments a Supervisory Board member may subsequently be reappointed again for a period of two years (which reappointment may be extended by at most two years). Mr. Huët has been a member of the Supervisory Board for eight years (two four year appointments). Subject to his re-appointment he will continue to be the Chairman of the Supervisory Board.

A non-binding nomination for the reappointment of Mr. Fernández Carbajal for a period of four years shall also be submitted to the AGM. Mr. Fernández Carbajal is a representative of FEMSA (that (in)directly holds a 14.76% economic interest in the Company), and his appointment is based on the Corporate Governance Agreement, which was concluded between (among others) the Company and FEMSA on 30 April 2010, and which was approved by the AGM on 22 April 2010 (in connection with the acquisition by the Company of FEMSA's beer activities). Mr. Fernández Carbajal has been a member of the Supervisory Board since 2010. The proposed re-appointment of Mr. Fernández Carbajal for a period of four years is a deviation of the maximum number of terms for reappointment set out in the Dutch Corporate Governance Code, but is in accordance with the Articles of Association of the Company. It is also in line with the profile of the Supervisory Board and a reflection of FEMSA's involvement as a long-term shareholder of the Company. Subject to his re-appointment he will continue to be the Vice-Chairman of the Supervisory Board.

Furthermore, a non-binding nomination for the reappointment of Mrs. Helmes for a period of four years shall be submitted to the AGM for approval. This will be the second four year term of Mrs. Helmes.

Mr. J.G. Astaburuaga Sanjiinés will reach his maximum tenure upon conclusion of the 2022 AGM. Mr. Astaburuaga Sanjiinés' meaningful contributions to the Supervisory Board and the Audit Committee over the past twelve years as well as his knowledge of the industry have been very valuable to the Company. Under the aforementioned Corporate Governance Agreement, FEMSA is entitled to nominate a second representative in the Supervisory Board. A non-binding nomination for the appointment of Mr. Camacho Beltrán for a period of four years shall be submitted to the AGM. Mr. Camacho Beltrán joined FEMSA in 2020 as Chief Corporate Officer after a long track record in senior management positions in consumer goods companies around the world, including Procter & Gamble, Revlon and Danone.

Subject to the approval of the proposed appointment and reappointments by the AGM on 21 April 2022, the composition of the Supervisory Board of Heineken N.V. will be as follows as per the conclusion of the 2022 AGM:

- Jean-Marc Huët (Chairman)
- José Antonio Fernández Carbajal (Vice-Chairman)
- Maarten Das (Delegated Member)
- Michel de Carvalho
- Pamela Mars Wright
- Marion Helmes
- Rosemary Ripley
- Ingrid-Helen Arnold
- Nitin Paranjpe
- Francisco Josue Camacho Beltrán

Enquiries

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Investor Calendar Heineken N.V.

Combined financial and sustainability annual report publication	25 February 2022
Trading Update for Q1 2022	20 April 2022
Annual General Meeting of Shareholders	21 April 2022
Quotation ex-final dividend 2021	25 April 2022
Final dividend 2021payable	3 May 2022
Half Year 2022 Results	01 August 2022
Quotation ex-interim dividend 2022	03 August 2022
Interim dividend payable	11 August 2022
Trading Update for Q3 2022	26 October 2022

Conference Call Details

HEINEKEN will host an analyst and investor video webcast about its 2021 FY results combined with an update on the on-going strategic review at 14:00 CET/ 13:00 GMT/ 08.00 EST. The live video webcast will be accessible via the company's website: https://www.theheinekencompany.com/investors/results-reports-webcasts-and-presentations.

An audio replay service will also be made available after the webcast at the above web address. Analysts and investors can dial-in using the following telephone numbers:

United Kingdom (Local): 020 3936 2999

Netherlands: 085 888 7233

USA: 1 646 664 1960

All other locations: +44 20 3936 2999

Participation password for all countries: 589454

Editorial information:

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. We are 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.

We employ over 82,000 employees and operate breweries, malteries, cider plants and other production facilities in more than 70 countries. Heineken N.V. and Heineken Holding N.V. shares trade on the Euronext in Amsterdam. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIA NA and HEIO NA and on Reuters under HEIN.AS and HEIO.AS. HEINEKEN has two sponsored level 1 American Depositary Receipt (ADR) programmes: Heineken N.V.

(OTCQX: HEINY) and Heineken Holding N.V. (OTCQX: HKHHY). Most recent information is available on HEINEKEN's website: www.theHEINEKENcompany.com and follow us on Twitter via @HEINEKENCorp.

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 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, prices of commodities and other goods and services, 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.

HEINEKEN

Consolidated Financial Statements for the full year 2021

CONTENTS	PAGE

The 2021 financial information included in the primary statements attached to this press release is derived from the Annual Report 2021. This Annual Report has been authorised for issue. The Annual Report has not yet been published by law and still has to be adopted by the Annual General Meeting of Shareholders on 21 April 2022.

In accordance with section 393, Title 9, Book 2 of the Netherlands Civil Code, Deloitte Accountants B.V. has issued an unqualified Independent auditors' report on the Financial Statements.

The full Annual Report will be available for download on the HEINEKEN website (www.theheinekencompany.com) as of 25 February 2022.

HEINEKEN

Consolidated Income Statement

For the year ended 31 December

In millions of €	**2021**	2020
Revenue	**26,583**	23,770
Excise tax expense	(4,642)	(4,055)
Net revenue	**21,941**	19,715
Other income	**1,521**	56
Raw materials, consumables and services	(13,535)	(12,450)
Personnel expenses	(3,485)	(3,669)
Amortisation, depreciation and impairments	(1,959)	(2,874)
Total other expenses	**(18,979)**	(18,993)
Operating profit	**4,483**	778
Interest income	49	50
Interest expenses	(462)	(497)
Other net finance income/(expenses)	14	(143)
Net finance expenses	**(399)**	(590)
Share of profit/(loss) of associates and joint ventures	250	(31)
Profit before income tax	**4,334**	157
Income tax expense	(799)	(245)
Profit/(Loss)	**3,535**	(88)
Attributable to:		
Shareholders of the Company (net profit/(loss))	3,324	(204)
Non-controlling interests	211	116
Profit/(Loss)	**3,535**	(88)
Weighted average number of shares – basic	575,740,269	575,625,598
Weighted average number of shares – diluted	575,969,395	575,625,598
Basic earnings per share (€)	5.77	(0.36)
Diluted earnings per share (€)	5.77	(0.36)

Consolidated Statement of Comprehensive Income

For the year ended 31 December

In millions of €	**2021**	2020
Profit/(Loss)	**3,535**	(88)
Other comprehensive income/(loss), net of tax:		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-retirement obligations	210	62
Net change in fair value through OCI investments	9	(98)
Items that may be subsequently reclassified to profit or loss:		
Currency translation differences	1,033	(2,114)
Change in fair value of net investment hedges	(54)	76
Change in fair value of cash flow hedges	97	45
Cash flow hedges reclassified to profit or loss	(3)	4
Net change in fair value through OCI investments	—	(1)
Cost of hedging	(6)	(6)
Share of other comprehensive income of associates/joint ventures	54	16
Other comprehensive income/(loss), net of tax	**1,340**	(2,016)
Total comprehensive income/(loss)	**4,875**	(2,104)
Attributable to:		
Shareholders of the Company	4,562	(2,127)
Non-controlling interests	313	23
Total comprehensive income/(loss)	**4,875**	(2,104)

Consolidated Statement of Financial Position

As at 31 December

In millions of €	**2021**	2020
Intangible assets	20,762	15,767
Property, plant and equipment	12,401	11,551
Investments in associates and joint ventures	4,148	4,437
Loans and advances to customers	209	194
Deferred tax assets	682	779
Other non-current assets	1,070	884
Total non-current assets	**39,272**	33,612
Inventories	2,438	1,958
Trade and other receivables	3,662	2,807
Current tax assets	97	154
Derivative assets	96	77
Cash and cash equivalents	3,248	4,000
Assets classified as held for sale	37	24
Total current assets	**9,578**	9,020
Total assets	**48,850**	42,632

In millions of €	**2021**	2020
Shareholders' equity	17,356	13,392
Non-controlling interests	2,344	1,000
Total equity	**19,700**	14,392
Borrowings	13,640	14,616
Post-retirement obligations	668	938
Provisions	636	688
Deferred tax liabilities	1,971	999
Other non-current liabilities	141	131
Total non-current liabilities	**17,056**	17,372
Borrowings	3,233	3,580
Trade and other payables	7,750	6,107
Returnable packaging deposits	476	454
Provisions	301	416
Current tax liabilities	268	259
Derivative liabilities	46	52
Liabilities associated with assets classified as held for sale	20	—
Total current liabilities	**12,094**	10,868
Total equity and liabilities	**48,850**	42,632

HEINEKEN

Consolidated Statement of Cash Flows

For the year ended 31 December

In millions of €	**2021**	2020
Operating activities		
Profit/(Loss)	3,535	(88)
Adjustments for:		
Amortisation, depreciation and impairments	1,959	2,874
Net interest expenses	413	447
Other income	(1,326)	(56)
Share of (profit)/loss of associates and joint ventures and dividend income on fair value through OCI investments	(256)	21
Income tax expenses	799	245
Other non-cash items	30	231
Cash flow from operations before changes in working capital and provisions	**5,154**	3,674
Change in inventories	(308)	(18)
Change in trade and other receivables	(697)	1,124
Change in trade and other payables and returnable packaging deposits	1,268	(759)
Total change in working capital	**263**	347
Change in provisions and post-retirement obligations	(290)	211
Cash flow from operations	**5,127**	4,232
Interest paid	(456)	(481)
Interest received	43	45
Dividends received	184	89
Income taxes paid	(717)	(749)
Cash flow related to interest, dividend and income tax	**(946)**	(1,096)
Cash flow from operating activities	**4,181**	3,136

In millions of €	**2021**	2020
Investing activities		
Proceeds from sale of property, plant and equipment and intangible assets	86	150
Purchase of property, plant and equipment	(1,324)	(1,501)
Purchase of intangible assets	(273)	(139)
Loans issued to customers and other investments	(196)	(177)
Repayment on loans to customers and other investments	40	44
Cash flow (used in)/from operational investing activities	**(1,667)**	(1,623)
Free operating cash flow	**2,514**	1,513
Acquisition of subsidiaries, net of cash acquired	54	(26)
Acquisition of/additions to associates, joint ventures and other investments	(678)	(9)
Disposal of subsidiaries, net of cash disposed of	3	(29)
Disposal of associates, joint ventures and other investments	11	249
Cash flow (used in)/from acquisitions and disposals	**(610)**	185
Cash flow (used in)/from investing activities	**(2,277)**	(1,438)
Financing activities		
Proceeds from borrowings	1,571	6,037
Repayment of borrowings	(3,362)	(3,714)
Payment of lease commitments	(298)	(281)
Dividends paid	(796)	(811)
Purchase own shares and shares issued	12	11
Acquisition of non-controlling interests	(10)	(4)
Cash flow (used in)/from financing activities	**(2,883)**	1,238
Net cash flow	**(979)**	2,936
Cash and cash equivalents as at 1 January	3,519	687
Effect of movements in exchange rates	16	(104)
Cash and cash equivalents as at 31 December	**2,556**	3,519

HEINEKEN

Consolidated Statement of Changes in Equity

In millions of €	Share capital	Share premium	Translation reserve	Hedging reserve	Cost of hedging reserve	Fair value reserve	Other legal reserves	Reserve for own shares	Retained earnings	Shareholders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2020	922	2,701	(2,998)	(19)	4	313	1,115	(63)	14,172	16,147	1,164	17,311
Profit/(Loss)	—	—	—	—	—	—	86	—	(290)	(204)	116	(88)
Other comprehensive income/(loss)	—	—	(1,929)	49	(6)	(99)	—	—	62	(1,923)	(93)	(2,016)
Total comprehensive income/(loss)	—	—	(1,929)	49	(6)	(99)	86	—	(228)	(2,127)	23	(2,104)
Realised hedge results from non-financial assets	—	—	—	(2)	—	—	—	—	—	(2)	—	(2)
Transfer to retained earnings	—	—	(13)	—	—	(160)	(30)	—	203	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	—	(597)	(597)	(228)	(825)
Purchase own shares or contributions received from NCI shareholders	—	—	—	—	—	—	—	(5)	—	(5)	20	15
Own shares delivered	—	—	—	—	—	—	—	43	(43)	—	—	—
Share-based payments	—	—	—	—	—	—	—	—	(25)	(25)	—	(25)
Changes in consolidation	—	—	—	—	—	—	—	—	1	1	21	22
Balance as at 31 December 2020	922	2,701	(4,940)	28	(2)	54	1,171	(25)	13,483	13,392	1,000	14,392

In millions of €	Share capital	Share premium	Translation reserve	Hedging reserve	Cost of hedging reserve	Fair value reserve	Other legal reserves	Reserve for own shares	Retained earnings	Shareholders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2021	**922**	**2,701**	**(4,940)**	**28**	**(2)**	**54**	**1,171**	**(25)**	**13,483**	**13,392**	**1,000**	**14,392**
Profit/(Loss)	—	—	—	—	—	—	242	—	3,082	3,324	211	3,535
Other comprehensive income/(loss)	—	—	935	93	(6)	9	—	—	207	1,238	102	1,340
Total comprehensive income/(loss)	**—**	**—**	**935**	**93**	**(6)**	**9**	**242**	**—**	**3,289**	**4,562**	**313**	**4,875**
Realised hedge results from non-financial assets	—	—	—	(65)	—	—	—	—	—	(65)	—	(65)
Transfer to retained earnings	—	—	2	—	—	(7)	(285)	—	290	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	—	(564)	(564)	(238)	(802)
Purchase own shares or contributions received from NCI shareholders	—	—	—	—	—	—	—	(14)	—	(14)	28	14
Own shares delivered	—	—	—	—	—	—	—	2	(2)	—	—	—
Share-based payments	—	—	—	—	—	—	—	—	55	55	—	55
Acquisition of non-controlling interests	—	—	—	—	—	—	—	—	(10)	(10)	—	(10)
Changes in consolidation	—	—	—	—	—	—	—	—	—	—	1,241	1,241
Balance as at 31 December 2021	**922**	**2,701**	**(4,003)**	**56**	**(8)**	**56**	**1,128**	**(37)**	**16,541**	**17,356**	**2,344**	**19,700**

Non-Gaap Measures

In the internal management reports, HEINEKEN measures its segmental performance primarily based on operating profit and operating profit beia (before exceptional items and amortisation of acquisition-related intangible assets).

In millions of €	**2021**	2020
Operating profit (beia)	**3,414**	2,421
Amortisation of acquisition-related intangible assets and exceptional items included in operating profit	1,069	(1,643)
Share of profit/(loss) of associates and joint ventures	250	(31)
Net finance expenses	(399)	(590)
Profit before income tax (IFRS)	**4,334**	157
Profit/(Loss) attributable to shareholders of the Company (net profit/(loss)) (IFRS)	**3,324**	(204)
Amortisation of acquisition-related intangible assets included in operating profit	286	273
Exceptional items included in operating profit	(1,355)	1,370
Exceptional items included in net finance expenses/(income)	(99)	(26)
Exceptional items and amortisation of acquisition-related intangible assets included in share of profit of associates and joint ventures	(12)	178
Exceptional items included in income tax expense	(73)	(347)
Allocation of exceptional items and amortisation of acquisition-related intangibles to non-controlling interests	(30)	(89)
Net profit (beia)	**2,041**	1,154

Due to rounding, this table will not always cast.

The 2021 exceptional items and amortisation of acquisition-related intangibles on net profit and loss amount to €1,283 million net benefit (2020: €1,358 million net expense). This amount consists of:

- €286 million (2020: €273 million) of amortisation of acquisition-related intangibles recorded in operating profit.
- €1,355 million net benefit (2020: €1,370 million net expense) of exceptional items recorded in operating profit. This includes €41 million exceptional excise tax benefit (2020: €8 million of exceptional expenses), €1,270 million of exceptional gain on previously-held equity interest from United Breweries Limited and €187 million net exceptional benefit related to tax credits in Brazil recorded in other income (2020: nil), net restructuring expenses of €32 million (2020: €331 million), impairments (net of reversal) of €108 million, including €203 million for Lagunitas (total impairments in 2020: €963 million) and €3 million of other exceptional net expenses, including loss on disposals (2020: €68 million).
- €99 million of exceptional net finance benefit, mainly related to interest on tax credits in Brazil of €96 million (2020: €26 million).
- €12 million of exceptional net benefit (2020: €178 million net expenses) included in the share of profit of associates and joint ventures, mainly relating to reversals of impairments of associates and joint ventures of €10 million (2020: €139 million exceptional loss).
- €73 million of exceptional net benefits in income tax expense (2020: €347 million exceptional income tax benefit, mainly relating to the tax impact on exceptional items and amortisation of acquisition-related intangible assets.
- Total amount of eia allocated to non-controlling interests amounts to €30 million net benefit (2020: €89 million).

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 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 margins captured by third party distributors.

Earnings per share (EPS)

Basic

Net profit/(loss) divided by the weighted average number of shares – basic – during the year.

Diluted

Net profit/(loss) 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 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.

Free operating cash flow

Total of cash flow from operating activities and 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.

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 and cash equivalents.

Net profit/(loss)

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

P.O. Box 28 – 1000 AA Amsterdam – The Netherlands
Office address - Tweede Weteringplantsoen 21 – 1017 ZD Amsterdam
Heineken N.V. - Registered Office at Amsterdam – Trade Register Amsterdam No. 33011433

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/(Loss)

Total profit/(loss) 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.

Weighted average number of shares

Basic

Weighted average number of outstanding shares.

Diluted

Weighted average number of outstanding shares and the weighted average number of shares that would be issued on conversion of the dilutive potential shares into shares as a result of HEINEKEN's share-based payment plans.