PRESS RELEASE

Amsterdam, 26 February 2025

JDE Peet's reports full-year results 2024

JDE Peet's delivered strong 2024 results, exceeding elevated H1 guidance

Increases shareholder returns through higher dividend and multi-year share buyback plan

Key items[1]

- Organic sales up +5.3%, driven by 4.5% price and 0.7% volume/mix; Reported sales up 7.9%
- Organic adjusted gross profit up +6.1%; Reported gross profit up +7.9%
- Organic adjusted EBIT up +10.4% to EUR 1.3 billion
- Free cash flow of EUR 1,044 million; Net leverage at 2.7x
- Proposal to increase cash dividend by 4.3% to EUR 0.73 per share
- Intention to launch multi-year share buyback programme of up to EUR 1 bn, with EUR 250 mln in 2025

A message from Rafa Oliveira, CEO of JDE Peet's

"We are very pleased with this strong set of broad-based results, especially considering the increased green coffee inflation. Innovation, driven by consumer relevance, lies at the heart of our strategy, enabling us to meet consumer preferences while enhancing the value of every cup. In 2024, we launched a range of new products to address evolving consumer needs, including the L'OR Iced Coffee, Peet's Ultra Coffee Concentrate in the U.S., OldTown's Hot & Cold premium instant mixes in Asia, and the roll-out of the first fully recyclable at-home paper refill pack for soluble coffee across 17 markets.

Looking ahead at 2025, we have set 5 key priorities. First, we will maintain strict pricing discipline to counter the unprecedented green coffee inflation. Second, we are identifying efficiencies to fund brand investments. Third, we will be highly selective and rigorous in our resource allocation and deployment of capital. Fourth, we are reinvigorating an organic growth mindset while increasing agility and fostering an ownership culture. Fifth, we will put increased emphasis on shareholder value creation as disciplined capital allocation and strong free cash flows will enable us to grow future returns to shareholders. More details and updates on our progress will be provided during our Capital Markets Day on July 1, 2025.

Our strong 2024 performance positions us well for 2025 and beyond, with stronger foundations and positive momentum. Therefore, we propose to increase the dividend by 4.3% and plan to initiate a multi-year share buyback cycle of up to EUR 1 billion, with up to EUR 250 million allocated for share buybacks in 2025."

[1] *This press release contains Alternative Performance Measures (APMs), which are not recognised measures of financial performance under IFRS. For a reconciliation of these APMs to the most directly comparable IFRS financial measures, refer to Reconciliation of non-IFRS measures.*

Update on CFO transition

On 22 January 2025, JDE Peet's announced that Scott Gray, CFO, has decided to step down. In May, Scott will be succeeded by Mrs. Yang Xu, a French national of Chinese descent. Yang joins JDE Peet's from the Swiss-based Straumann Group where she currently serves as Chief Financial Officer. Yang, who has lived and worked in the U.S. and various European countries, brings more than 20 years of experience in finance, strategy, operational and commercial functions. Prior to Straumann Group, Yang was Senior Vice President, Head of Corporate Development and Global Treasurer and a member of the company's Executive Committee at Kraft Heinz.

Dividend 2024

JDE Peet's' Board proposes to increase the 2024 dividend by 4.3% to EUR 0.73 per share in cash. The dividend will be paid in two instalments. The first payment, of EUR 0.37, will be made on Friday, 11 July 2025, with the ex-dividend date on Monday, 7 July 2025 and the record date on Tuesday, 8 July 2025. The second payment, of EUR 0.36, will be made on Friday, 23 January 2026, with the ex-dividend date on Monday, 19 January 2026 and the record date on Tuesday, 20 January 2026. The dividend proposal is subject to approval by the Annual General Meeting of Shareholders to be held on Thursday, 19 June 2025.

Initiation of a multi-year share buyback cycle

Given JDE Peet's strong confidence in its long-term value creation opportunities and strong free cash flow generating capabilities, the company intends to initiate a multi-year share buyback cycle of up to EUR 1 billion, with up to EUR 250 million for share buybacks in 2025. More information will be disclosed at the time the share buyback starts.

Green coffee inflation

Green coffee prices have surged to historic highs, driven by various factors including atypical weather patterns in key coffee-growing countries, multiple supply chain disruptions, and broader macroeconomic and geopolitical factors. As a result, green coffee prices have, on average, more than doubled, compared to a year ago, and are not expected to decline in the near term. To mitigate this impact, we will continue to be disciplined on pricing, while also implementing a range of productivity and efficiency measures to absorb as much of the cost inflation headwind as possible, passing on only what is unavoidable while maintaining affordability for our consumers. As a category leader, we remain committed to creating value across the entire supply chain— supporting coffee farmers in adopting sustainable practices while delivering consumers and retailers innovative, high-quality and enjoyable coffee products.

Outlook 2025

JDE Peet's expects the following for 2025:

- High single-digit organic sales growth
- Low single-digit decline in adjusted EBIT on an organic basis, with delivery second-half-weighted
- Free cash flow of around EUR 1 billion, with delivery second-half-weighted

FINANCIAL REVIEW FULL-YEAR 2024

in EUR m (unless otherwise stated)

	FY 2024	FY 2023	Organic change	Reported change
Sales	8,837	8,191	5.3%	7.9%
Adjusted gross profit [1]	3,273	3,051	6.1%	7.3%
Gross profit	3,257	3,018	6.7%	7.9%
Adjusted EBITDA [1]	1,587	1,426	—	11.3%
Adjusted EBIT [1]	1,277	1,128	10.4%	13.2%
Operating profit	1,056	685	52.4%	54.2%
Underlying profit for the period [1]	729	734	—	-0.7%
Profit for the period	543	364	—	49.2%
Underlying EPS (EUR) [1,2,3]	1.50	1.51	—	-0.7%
Basic EPS (EUR) [2]	1.15	0.76	—	51.3%

[1] Alternative Performance Measure. Refer to Reconciliation of non-IFRS measures
[2] Based on the weighted average number of shares outstanding
[3] Underlying earnings (per share) exclude adjusting items (net of tax)

Total reported sales increased by 7.9%. Excluding a 4.7% positive contribution from the consolidation of Maratá and Caribou and a -2.1% effect related to foreign exchange, total sales increased by 5.3% organically. Organic sales growth reflects a price effect of 4.5% and a volume/mix effect of 0.7%. All categories contributed to the organic sales growth with double-digit growth in Beans, high single-digit growth in Capsules and Instants, and mid-single-digit growth in Roast & Ground.

Adjusted EBIT increased organically by 10.4% with positive contribution from all four segments and driven by an organic increase of 6.1% in adjusted gross profit and disciplined cost control. A&P spend was slightly lower in the year, reflecting a high comparable base from the 2023 U.S. launch of L'OR Barista, which required less investments in its second year. In Europe, APAC and Peet's, A&P spend remained stable or increased year-over-year.

Profit for the period increased by 49.2%. Underlying profit - excluding all adjusting items net of tax - decreased by -0.7% to EUR 729 million. This performance was mainly driven by an unfavourable non-cash, non-tax deductible impact of EUR 154 million from a fair value change in the company's equity derivatives, due to the decrease in the company's share price in 2024. Excluding this fair value change, the underlying effective tax rate would have been around 25% and underlying profit would have been EUR 883 million, or 12.2% higher than in FY 23.

Net debt increased by EUR 439 million to EUR 4.3 billion on 31 December 2024, which was driven by the transaction considerations related to Maratá and Caribou. Supported by strong operational performance and EBITDA growth, a free cash flow of EUR 1,044 million and disciplined capital allocation, the net leverage ended at 2.73x net debt to adjusted EBITDA on 31 December 2024 which is similar to the level at the end of 2023.

FINANCIAL REVIEW FULL-YEAR 2024 - BY SEGMENT

in EUR m (unless otherwise stated)

	Sales FY 2024	Reported change	Organic change	Adj. EBIT FY 2024	Reported change	Organic change[2]
Europe	4,717	0.8%	0.5%	1,041	4.5%	4.3%
LARMEA	2,030	32.1%	21.2%	223	41.0%	25.3%
Peet's	1,257	9.0%	5.7%	184	30.5%	23.8%
APAC	796	0.7%	1.5%	143	1.5%	2.3%
Total JDE Peet's [1]	**8,837**	**7.9%**	**5.3%**	**1,277**	**13.2%**	**10.4%**

[1] *Including EUR 37 million of sales and EUR (314) million adj. EBIT that are not allocated to the segments*
[2] *Alternative Performance Measure. Refer to Reconciliation of non-IFRS measures*

Europe

Organic sales growth of 0.5% was driven by an increase in price of 1.3% and a decrease in volume/mix of -0.8% as performances in various European markets were impacted by retaliations during price negotiations with retailers. Notable strong performances were delivered in countries such as the UK, Ireland and the Nordics, and brands including L'OR, Douwe Egberts and Kenco.

Reported sales increased by 0.8%. Adjusted EBIT increased organically by 4.3%, reflecting an increase in gross profit and a stable level of A&P.

LARMEA

Organic sales growth of 21.2% was driven by an increase in volume/mix of 3.3% and 17.9% in price. Most markets delivered positive vol/mix while Brazil experienced soft market conditions. Organic sales growth was particularly supported by brands such as Pilão and Jacobs. Maratá has been successfully consolidated and its contribution is in line with the business plan.

Reported sales increased by 32.1%, including a positive scope effect of 22.4% related to the consolidation of Maratá, and a foreign exchange of -11.5%. Adjusted EBIT increased organically by 25.3%, reflecting an increase in gross profit, lower A&P requirements for the roll-out of L'OR Barista in the U.S., and a low base of comparison.

Peet’s

Organic sales growth of 5.7% was driven by an increase of 5.0% in volume/mix and 0.7% in price. Peet's In-Home business continued to deliver competitive growth across its Peet's, Stumptown, and Intelligentsia brands. In Peet's U.S. coffee stores, same-store sales and ticket size were up, and Peet's China continued to deliver strong double-digit organic sales growth.

Reported sales increased by 9.0%, which included a positive scope effect of 3.3% related to the consolidation of Caribou since 26 March 2024 and a foreign exchange effect of -0.1%. Adjusted EBIT increased organically by 23.8%, driven by strong operational performance, cost efficiencies, partially offset by higher A&P.

APAC

Organic sales growth of 1.5% was driven by an increase of 3.8% in price and -2.3% in volume/mix, with solid In-Home performance partially offset by soft performance in APAC's Away-from-Home business. Sales performance was geographically mixed, with solid performances in countries such as China, Australia and the Philippines, partially offset by softer performances in countries such as New Zealand and Malaysia.

Reported sales decreased by 0.7%. Adjusted EBIT increased organically by 2.3%, with a stable level of A&P.

Sustainability

JDE Peet's continued to make good progress on its Sustainability programme "Common Grounds" in 2024:

- A reduction of 30.0% in Scope 1 & 2 GHG emissions, versus base year 2020[2]
- 92.4% of our green coffee was responsibly sourced, excluding Maratá[3]
- 79.3% of our packaging was either reusable, recyclable or compostable

CONFERENCE CALL & AUDIO WEBCAST

Rafa Oliveira (CEO) and Scott Gray (CFO) will host a conference call for analysts and institutional investors at 10:00 AM CET today to discuss the full-year 2024 results. A live and on-demand audio webcast of the conference call will be available via JDE Peet's' Investor Relations website.

ENQUIRIES

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About JDE Peet's

JDE Peet's is the world's leading pure-play coffee and tea company, serving approximately 4,400 cups of coffee or tea per second. JDE Peet's unleashes the possibilities of coffee and tea in more than 100 markets with a portfolio of over 50 brands including L'OR, Peet's, Jacobs, Senseo, Tassimo, Douwe Egberts, OldTown, Super, Pickwick and Moccona. In 2024, JDE Peet's generated total sales of EUR 8.8 billion and employed a global workforce of more than 21,000 employees. Read more about our journey towards a coffee and tea for every cup at www.jdepeets.com.

[2] *-1.4% in Scope 3 versus base year 2020*
[3] *83.2% including Maratá*

IMPORTANT INFORMATION

Market Abuse Regulation

This press release contains information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Presentation

The condensed consolidated unaudited financial statements of JDE Peet's N.V. (the "Company") and its consolidated subsidiaries (the "Group") are prepared in accordance with IFRS® Accounting Standards as endorsed for use in the European Union by the European Commission and in conformity with the Dutch Civil Code ("IFRS"). In preparing the financial information in these materials, except as otherwise described, the same accounting principles are applied as in the consolidated financial statements of the Group as of, and for, the year ended 31 December 2023 and the related notes thereto. All figures in these materials are unaudited. In preparing the financial information included in these materials, most numerical figures are presented in millions of euro. Certain figures in these materials, including financial data, have been rounded. In tables, negative amounts are shown in parentheses. Otherwise, negative amounts are shown by "-" or "negative" before the amount.

Forward-looking statements

These materials contain forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995 concerning the financial condition, results of operations and businesses of the Group. These forward-looking statements and other statements contained in these materials regarding matters that are not historical facts and involve predictions. No assurance can be given that such future results will be achieved. Actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. There are a number of factors that could affect the Group's future operations and could cause those results to differ materially from those expressed in the forward-looking statements including (without limitation): (a) competitive pressures and changes in consumer trends and preferences as well as consumer perceptions of its brands; (b) fluctuations in the cost of green coffee, including premium Arabica coffee beans, tea or other commodities, and its ability to secure an adequate supply of quality or sustainable coffee and tea; (c) global and regional economic and financial conditions, as well as political and business conditions or other developments; (d) interruption in the Group's manufacturing and distribution facilities; (e) its ability to successfully innovate, develop and launch new products and product extensions and on effectively marketing its existing products; (f) actual or alleged non-compliance with applicable laws or regulations and any legal claims or government investigations in respect of the Group's businesses; (g) difficulties associated with successfully completing acquisitions and integrating acquired businesses; (h) the loss of senior management and other key personnel; and (i) changes in applicable environmental laws or regulations. The forward-looking statements contained in these materials speak only as of the date of these materials. The Group is not under any obligation to (and expressly disclaim any such obligation to) revise or update any forward-looking statements to reflect events or circumstances after the date of these materials or to reflect the occurrence of unanticipated events. The Group cannot give any assurance that forward-looking statements will prove correct and investors are cautioned not to place undue reliance on any forward-looking statements. Further details of potential risks and uncertainties affecting the Group are described in the Company's public filings with the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) and other disclosures.

Market and industry data

All references to industry forecasts, industry statistics, market data and market share in these materials comprise estimates compiled by analysts, competitors, industry professionals and organisations, of publicly available information or of the Group's own assessment of its markets and sales. Rankings are based on revenue, unless otherwise stated.

RECONCILIATION OF NON-IFRS MEASURES

In presenting and discussing JDE Peet's operating results, management uses certain Alternative Performance Measures (APMs) that contain non-IFRS measures that are not performance or liquidity measures under IFRS. These APMs are presented in addition to the figures that are prepared in accordance with IFRS. The Company's use of APMs may vary significantly from the use of other companies in its industry. The APMs used, should not be considered as an alternative to profit (loss), revenue or any other performance measure derived in accordance with IFRS or to net cash provided by operating activities as a measure of liquidity. More information on these APMs can be found below.

IFRS RECONCILIATION

Sales growth bridge by segment

	Vol/Mix	Price	Organic change	FX	Scope	Reported change
Europe	-0.8%	1.3%	0.5%	0.3%	—	0.8%
LARMEA	3.3%	17.9%	21.2%	-11.5%	22.4%	32.1%
Peet's	5.0%	0.7%	5.7%	-0.1%	3.3%	9.0%
APAC	-2.3%	3.8%	1.5%	-0.8%	—	0.7%
JDE Peet's	**0.7%**	**4.5%**	**5.3%**	**-2.1%**	**4.7%**	**7.9%**

Composition of Gross profit

in EUR m	Reported 2024	Adjusting items	Adjusted	Reported change	FX impact	Scope	Organic change
Gross Profit	**3,257**	**16**	**3,273**	**7.3%**	**1.3%**	**-2.5%**	**6.1%**

Reconciliation of Operating profit to Underlying profit for the period

in EUR m	FY 2024	FY 2023
Operating profit	**1,056**	**685**
ERP system implementation	16	7
Transformation activities and corporate actions	60	127
Share-based payment expense	17	43
Mark-to-market results	(4)	(39)
Amortisation of acquired intangible assets and M&A/Deal costs	132	305
Total Adjusting items	**221**	**443**
Adjusted EBIT	**1,277**	**1,128**
Net financial income/(expenses)	(263)	(143)
Adjusted income tax expense	(295)	(254)
Adjusted non-controlling interest	10	3
Underlying Profit	**729**	**734**
Time-weighted average number of ordinary shares (in millions)	487	486
Underlying earnings per share (in EUR)	**1.50**	**1.51**

Reconciliation of reported to organic Adjusted EBIT growth

	Organic change	FX	Scope	Reported change
Europe	4.3%	0.2%	—	4.5%
LARMEA	25.3%	-11.5%	27.1%	41.0%
Peet's	23.8%	0.2%	6.5%	30.5%
APAC	2.3%	-0.8%	—	1.5%
JDE Peet's	**10.4%**	**-1.6%**	**4.4%**	**13.2%**

Reconciliation of Adjusted EBIT to Adjusted EBITDA

in EUR m	FY 2024	FY 2023
Adjusted EBIT	**1,277**	**1,128**
Adjusted D&A	310	298
Adjusted EBITDA	**1,587**	**1,426**

Adjusted Depreciation and amortisation (Adjusted D&A)

in EUR m	FY 2024	FY 2023
Depreciation, amortisation and impairments	**457**	**638**
Impairment property, plant & equipment	(27)	(46)
Amortisation and impairment of acquired intangible assets [1]	(120)	(294)
Adjusted Depreciation and amortisation	**310**	**298**

[1] *In 2023, a EUR 185 million impairment charge was included, related to the Jacobs brand.*

Reconciliation of Total borrowings, Net debt, and Net leverage ratio

in EUR m	FY 2024	FY 2023
Total borrowings	**5,568**	**5,915**
Cash & cash equivalents	(1,264)	(2,048)
Cash not at free disposal of the Company	25	23
Net debt	**4,329**	**3,890**
Adjusted EBITDA (LTM)	1,587	1,426
Net leverage ratio (Net debt divided by adjusted EBITDA LTM)	**2.73**	**2.73**

Composition of Free cash flow

in EUR m	FY 2024	FY 2023
Net cash provided by operating activities	**1,374**	**823**
Purchases of property, plant and equipment	(296)	(272)
Purchases of intangibles	(34)	(29)
Free Cash Flow	**1,044**	**522**

Composition of Total liquidity

in EUR m	FY 2024	FY 2023
Cash and cash equivalents (excl. restricted cash)	**1,239**	**2,025**
Undrawn amount under RCF	1,500	1,500
Total liquidity	**2,739**	**3,525**

Composition of Tax expense

in EUR m	FY 2024	FY 2023
Reported income tax expense	**(247)**	**(173)**
Reported effective tax rate	31.3%	32.2%
Tax reserves, tax audit adjustments and reversals of previous recognised deferred tax assets	(1)	5
Tax effect on adjusting items	(47)	(86)
Underlying income tax expense	**(295)**	**(254)**
Underlying effective tax rate	29.1%	25.8%

Definitions financial information

Adjusted depreciation and amortisation (adjusted D&A)

Adjusted depreciation and amortisation is defined as depreciation, amortisation and impairment, adjusted for the depreciation, amortisation and impairment already included in the adjusting items as included in adjusted EBIT.

Adjusted EBITDA

Adjusted EBITDA are defined as operating profit before depreciation, amortisation and impairment, adjusted for the same factors as listed under adjusted EBIT.

Adjusted EBIT

Adjusted EBIT are defined as profit for the period, adding back finance income, finance expense, share of net profit of associates and income tax expense adjusted for alternative performance measures as included in the consolidated financial statements for the year ended 31 December 2023 (note 2.1).

Adjusted gross profit

Adjusted gross profit is defined as reported gross profit adjusted for alternative performance measures as included in the consolidated financial statements for the year ended 31 December 2023 (note 2.1).

Adjusted income tax expense

Adjusted income tax expense is defined as income tax expense adjusted for the effect of tax rate changes on deferred tax assets/liabilities and the non-recurring items, such as tax reserves and tax audit adjustments.

Adjusted non-controlling interest

Adjusted non-controlling interest is defined as non-controlling interest adjusted for the effect of non-recurring items.

Away-from-Home

Coffee & tea products purchased for consumption outside of the home at offices, hotels, bars, restaurants etc. as well as in coffee stores.

In-Home

Packaged coffee & tea products purchased for consumption at home.

Free cash flow

Free cash flow is defined as net cash provided by operating activities less purchases of property, plant and equipment and intangible assets.

Net debt

Net debt is defined as total borrowings less cash and cash equivalents, excluding cash not at the free disposal of the company.

Net leverage ratio

Net leverage ratio is defined as net debt divided by adjusted EBITDA of the last twelve months.

Organic adjusted EBIT

Organic adjusted EBIT is defined as adjusted EBIT translated at the prior year average foreign exchange rate and adjusted for scope changes (a.o. M&A and divestitures) and other items. To determine organic adjusted EBIT in a given year, adjusted EBIT in that year is translated at the average foreign exchange rate of the comparable year and excludes adjusted EBIT from acquired/divested companies until 12 months following the transaction date.

Organic adjusted gross profit

Organic adjusted gross profit is defined as adjusted gross profit translated at the prior year average foreign exchange rate and adjusted for scope changes (a.o. M&A and divestitures) and other items. To determine organic adjusted gross profit in a given year, adjusted gross profit in that year is translated at the average foreign exchange rate of the comparable year and excludes gross profit from acquired/divested companies until 12 months following the transaction date.

Organic sales

Organic sales are defined as revenue translated at the prior year average foreign exchange rate and adjusted for scope changes (a.o. M&A and divestitures) and other items. To determine organic sales in a given year, revenue in that year is translated at the average foreign exchange rate of the comparable year and excludes revenue from acquired/divested companies until 12 months following the transaction date.

Organic sales growth

Organic sales growth is defined as the growth in organic sales between the given and comparable year.

Underlying effective tax rate

The underlying effective tax rate is determined based on the reported effective tax rate adjusted for the tax rate effect of tax reserves, audit adjustments and the tax effect of adjusting items.

Underlying income tax expense

Underlying income tax expense is determined as the reported tax expense normalised for the tax effect of tax reserves, audit adjustments, reversals of previous recognised deferred tax assets and the tax effect of adjusting items.

Underlying profit

Underlying profit is defined as adjusted EBIT for the period including adjusted financial income and expenses, adjusted income tax expense and adjusted for minority shareholders.

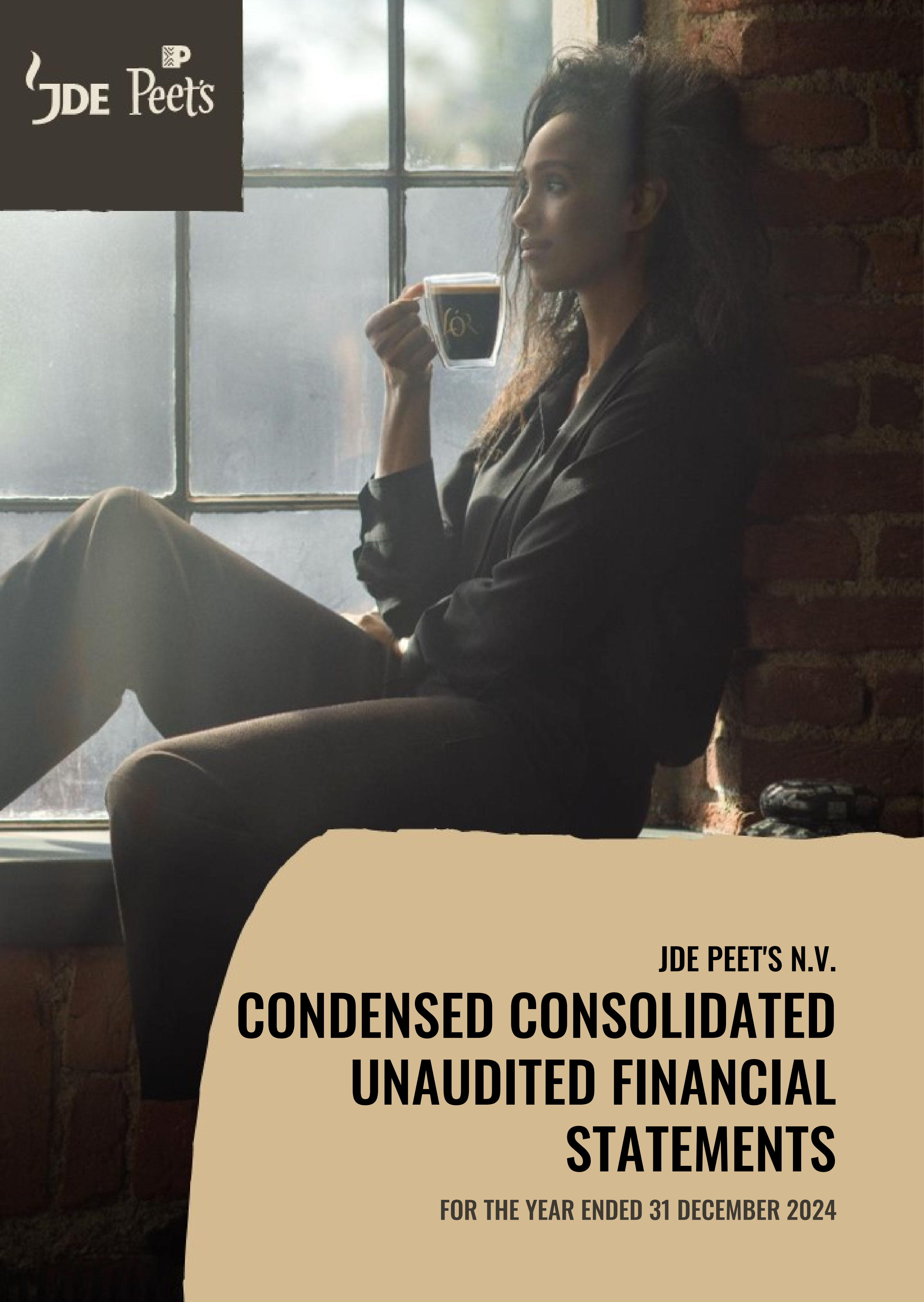
Definitions non-financial information

GHG emissions

Greenhouse gas emissions

Responsibly sourced green coffee

Green coffee deliveries covered by an independent sustainability scheme. This includes, but is not limited to, Enveritas, Rainforest Alliance, 4C, Fairtrade, or any other scheme recognised by the coffee industry, such as the Global Coffee Platform Equivalence Mechanism. A product or material which is “responsibly sourced” does not mean or imply the absence of human rights violations or other supply chain risks in connection with the production or supply of such product or material.



JDE PEET'S N.V.

CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

In EUR million, unless stated otherwise

	NOTE	FY 2024	FY 2023
Revenue	6	8,837	8,191
Cost of sales	7	(5,580)	(5,173)
Gross profit		**3,257**	**3,018**
Selling, general and administrative expenses	7	(2,201)	(2,333)
Operating profit		**1,056**	**685**
Finance income	9	95	104
Finance expense	9	(358)	(247)
Share of net profit / (loss) of associates		(3)	(5)
Profit before income taxes		**790**	**537**
Income tax expense	10	(247)	(173)
Profit for the period		**543**	**364**

ATTRIBUTABLE TO:	NOTE	FY 2024	FY 2023
Owners of the parent		561	367
Non-controlling interest		(18)	(3)
Profit for the period		**543**	**364**
Earnings per share:			
Basic earnings per share (in EUR)	8	1.15	0.76
Diluted earnings per share (in EUR)	8	1.13	0.75

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

In EUR million

	FY 2024	FY 2023
Profit for the period	543	364
Other comprehensive income / (loss), net of tax:		
Items that will not be reclassified to profit or loss		
Retirement benefit obligation related items, net of tax	40	(28)
Items that may be subsequently reclassified to profit or loss		
Foreign currency translation	(164)	(95)
Net investment hedge	4	14
Effective portion of cash flow hedges - foreign exchange contracts	33	31
Other comprehensive income / (loss)	**(87)**	**(78)**
Total comprehensive income / (loss) for the period	**456**	**286**
Attributable to:		
Owners of the parent	469	281
Non-controlling interest	(13)	5
Total comprehensive income / (loss) for the period	**456**	**286**

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AT 31 DECEMBER 2024 AND 31 DECEMBER 2023

In EUR million

	NOTE	31 December 2024	31 December 2023[1]
Non-current assets:			
Goodwill and other intangible assets	11	17,124	16,717
Property, plant and equipment		1,859	1,719
Deferred income tax assets		57	49
Derivative financial instruments		95	16
Retirement benefit asset	13	504	432
Other non-current assets		54	72
		19,693	**19,005**
Current assets:			
Inventories		1,675	1,248
Trade and other receivables		893	729
Derivative financial instruments		160	57
Income tax receivable		25	36
Net assets held-for-sale		—	18
Cash and cash equivalents		1,264	2,048
		4,017	**4,136**
Total assets		**23,710**	**23,141**
Equity and liabilities			
Equity:			
Share capital		5	5
Share premium		9,588	9,585
Treasury stock		—	(38)
Other reserves / (deficits)		(481)	(375)
Retained earnings		1,976	1,858
Equity attributable to the owners of the Company		**11,088**	**11,035**
Non-controlling interest		53	80
		11,141	**11,115**
Non-current liabilities:			
Borrowings	12	4,999	5,388
Retirement benefit liabilities	13	165	170
Deferred income tax liabilities		1,235	1,226
Derivative financial instruments		24	41
Provisions		27	36
Other non-current liabilities	2	32	46
		6,482	**6,907**
Current liabilities:			
Borrowings		569	527
Trade and other payables	2	5,111	4,286
Income tax liability		72	81
Provisions		54	68
Derivative financial instruments		281	157
		6,087	**5,119**
Total equity and liabilities		**23,710**	**23,141**

[1] Following the amendments to IAS 1 regarding the classification of liabilities as either non-current or current, deferred revenue from customer loyalty programmes is classified as current. Comparable figures were restated. Refer to 2. Accounting standards

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

In EUR million

	Share capital	Share premium	Treasury stock	Retirement Benefit Obligation Related Items	Currency Translation Reserve	Cash flow hedge reserve	Total Other Comprehensive Income	Share-based payments reserve	Retained Earnings	Total equity attributable to the shareholders of the Company	Non-controlling interest	Total Equity
Balance at 31 December 2022	**5**	**9,997**	**(471)**	**276**	**(635)**	**(21)**	**(380)**	**67**	**1,834**	**11,052**	**80**	**11,132**
Application of hyperinflationary accounting	—	—	—	—	—	—	—	—	(2)	(2)	—	(2)
Balance at 1 January 2023	**5**	**9,997**	**(471)**	**276**	**(635)**	**(21)**	**(380)**	**67**	**1,832**	**11,050**	**80**	**11,130**
Profit for the period	—	—	—	—	—	—	—	—	367	367	(3)	364
Retirement benefit obligation	—	—	—	(28)	—	—	(28)	—	—	(28)	—	(28)
Foreign currency translation	—	—	—	6	(109)	—	(103)	—	—	(103)	8	(95)
Foreign currency contracts	—	—	—	—	—	31	31	—	—	31	—	31
Net investment hedge	—	—	—	—	14	—	14	—	—	14	—	14
Total Comprehensive Income / (Loss)	**—**	**—**	**—**	**(22)**	**(95)**	**31**	**(86)**	**—**	**367**	**281**	**5**	**286**
Share-based payment transactions	—	—	—	—	—	—	—	24	—	24	—	24
Dividends	—	—	—	—	—	—	—	—	(339)	(339)	(2)	(341)
Release of treasury shares	—	—	21	—	—	—	—	—	—	21	—	21
Cancellation of treasury shares	—	(412)	412	—	—	—	—	—	—	—	—	—
Other transactions with shareholders	—	—	—	—	—	—	—	—	(2)	(2)	(3)	(5)
Balance at 31 December 2023	**5**	**9,585**	**(38)**	**254**	**(730)**	**10**	**(466)**	**91**	**1,858**	**11,035**	**80**	**11,115**

In EUR million	Share capital	Share premium	Treasury stock	Retirement Benefit Obligation Related Items	Currency Translation Reserve	Cash flow hedge reserve	Total Other Comprehensive Income	Share-based payments reserve	Retained Earnings	Total equity attributable to the shareholders of the Company	Non-controlling interest	Total Equity
Balance at 31 December 2023	**5**	**9,585**	**(38)**	**254**	**(730)**	**10**	**(466)**	**91**	**1,858**	**11,035**	**80**	**11,115**
Application of hyperinflationary accounting	—	—	—	—	—	—	—	—	50	50	12	62
Balance at 1 January 2024	**5**	**9,585**	**(38)**	**254**	**(730)**	**10**	**(466)**	**91**	**1,908**	**11,085**	**92**	**11,177**
Profit for the period	—	—	—	—	—	—	—	—	561	561	(18)	543
Retirement benefit obligation	—	—	—	40	—	—	40	—	—	40	—	40
Foreign currency translation	—	—	—	—	(167)	—	(167)	(2)	—	(169)	5	(164)
Foreign currency contracts	—	—	—	—	—	33	33	—	—	33	—	33
Net investment hedge	—	—	—	—	4	—	4	—	—	4	—	4
Total Comprehensive Income / (Loss)	**—**	**—**	**—**	**40**	**(163)**	**33**	**(90)**	**(2)**	**561**	**469**	**(13)**	**456**
Common control transaction	—	—	—	—	—	—	—	—	(163)	(163)	—	(163)
Share-based payment transactions	—	—	—	—	—	—	—	(14)	6	(8)	—	(8)
Dividends	—	—	—	—	—	—	—	—	(341)	(341)	(2)	(343)
Release of treasury shares	—	(11)	38	—	—	—	—	—	—	27	—	27
Issuance of shares	—	14	—	—	—	—	—	—	—	14	—	14
Other transactions with shareholders	—	—	—	—	—	—	—	—	5	5	(24)	(19)
Balance at 31 December 2024	**5**	**9,588**	**—**	**294**	**(893)**	**43**	**(556)**	**75**	**1,976**	**11,088**	**53**	**11,141**

During the Annual General Meeting of Shareholders on 30 May 2024, a dividend of EUR 0.70 per share was approved, payable in two instalments of EUR 0.35 on 12 July 2024 and 24 January 2025. The dividend payable at 31 December 2024 amounted to EUR 170 million, which was recognised within Trade and other payables.

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

In EUR million

	FY 2024	FY 2023
Profit for the period	543	364
Adjustments for:		
Depreciation, amortisation and impairments	457	638
Defined benefit pension expense	(6)	(19)
Share-based payments	17	43
(Gain) / loss on sale of property, plant and equipment and intangible assets	16	6
Income tax expense	247	173
Interest income on bank accounts and other	(83)	(91)
Interest expense	147	94
Provision charges	4	57
Derivative financial instruments	(136)	125
Foreign exchange (gains) / losses	208	(45)
Other	(5)	1
Changes in operating assets and liabilities:		
Inventories	(363)	79
Trade and other receivables	(107)	116
Trade and other payables	742	(478)
Pension payments	(9)	(9)
Payments of provisions	(44)	(26)
Realised foreign exchange (gains) / losses	(158)	67
Receipts / (payments) of derivative financial instruments	116	(53)
Income tax payments	(212)	(219)
Net cash provided by operating activities	**1,374**	**823**
Cash flows from investing activities:		
Purchases of property, plant and equipment	(296)	(272)
Purchases of intangibles	(34)	(29)
Proceeds from sale of property, plant and equipment and other assets	2	2
Acquisition of businesses, net of cash acquired	(927)	(6)
Loans provided	(2)	(2)
Interest received	83	84
Other investing activities	(6)	(3)
Net cash used in investing activities	**(1,180)**	**(226)**
Cash flows from financing activities:		
Additions to borrowings	62	989
Repayments from borrowings	(606)	(89)
Receipts from / (payments to) derivative financial instruments	(5)	(1)
Dividend paid to shareholders	(341)	(341)
Interest paid	(88)	(66)
Investments / (divestments) by non-controlling shareholders	13	13
Other financing activities	(14)	(14)
Net cash used in financing activities	**(979)**	**491**
Effect of exchange rate changes on cash	(3)	(7)
Net increase / (decrease) in cash and cash equivalents	**(788)**	**1,081**
Cash and cash equivalents – at the start of period	2,048	967
Adjustment for hyperinflationary accounting	4	—
Cash and cash equivalents — as of 31 December [1]	**1,264**	**2,048**

[1] *Cash and cash equivalents include restricted cash of EUR 25 million at 31 December 2024 (2023: EUR 23 million).*

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS AND BASIS OF PREPARATION

JDE Peet's N.V. (the "Company" or together with its subsidiaries "JDE Peet's") is a public limited liability company under the laws of the Netherlands. The Company was incorporated on 21 November 2018 and is a public company (naamloze vennootschap, N.V.) listed on Euronext Amsterdam. The Company's main direct shareholder is Acorn Holding B.V. ("Acorn") which is fully owned by a Joh. A. Benckiser led investor group ("JAB"). The shares held by Mondelēz International Inc. on 31 December 2023 were sold to JAB on 29 November 2024.

All holders of a capital and/or voting interest of three per cent or more are disclosed to the Netherlands Authority for the Financial Markets ("AFM"). The AFM processes these disclosures in its publicly available register, which can be found at www.afm.nl.

Basis of preparation

The Company prepared these condensed consolidated unaudited financial statements ("financial statements") in accordance with IAS® 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union (EU).

The basis of preparation and the accounting policies used to prepare the financial statements are the same as those described in the consolidated financial statements at and for the year ended 31 December 2024.

The financial statements for all periods have been prepared under the historical cost basis, except for financial instruments, financial liabilities in relation to share-based payments and pension plan assets, which are recognised at fair value. These financial statements do not include all the notes of the type normally included in an annual financial report.

For purposes of these financial statements, segmentation is based on how the chief operating decision maker ("CODM") reviews the performance of the business and allocates resources, as further disclosed in the segmentation disclosure note.

Where applicable, the presentation of the comparative financial information was adjusted to conform to the presentation of the statement of financial position and income statement of the current period. These reclassifications had no impact on net result or equity.

Functional and presentation currency

These financial statements are presented in Euros, which is the Company's functional and reporting currency. All financial information presented in Euros has been rounded to the nearest million unless stated otherwise.

Use of estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements at and for the year ended 31 December 2023, except for judgement related to Pillar Two taxes effective as of 1 January 2024, refer to note 10. JDE Peet's continuously assess the basis of the consolidation, including the control over its operations (in accordance with IFRS 10). For these interim financial statements, no changes in control were identified compared to 31 December 2023, except for the newly acquired operations as disclosed in note 3.

2. ACCOUNTING STANDARDS

The condensed consolidated unaudited financial statements should be read in conjunction with the consolidated financial statements of JDE Peet's at and for the year ended 31 December 2023, which were prepared in accordance with, and comply, in all material respects, with IFRS® Accounting Standards as endorsed for use in the European Union by the European Commission and in conformity with the Dutch Civil Code.

Segment information

Effective 1 January 2024, the managerial responsibilities of certain minor business activities were transferred from Europe to LARMEA and from APAC to Unallocated. The comparative figures were updated to reflect these changes.

New IFRS Accounting Standards, Amendments and Interpretations effective on or after 1 January 2024

The following new IFRS accounting standards and interpretations effective for accounting periods beginning on or after 1 January 2024 have been applied to the financial statements of JDE Peet's for the year ended 31 December 2024, where applicable:

- Amendments to IAS 1 - Classification of liabilities as current or non-current
- Amendments to IAS 1 - Non-current liabilities with Covenants
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements
- Amendments to IFRS 16 - Lease liability in a sale and leaseback
- Agenda decision - Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8)

JDE Peet’s implemented the amendments to IAS 1 regarding the classification of liabilities as either current or non-current. Consequently, the deferred revenue from the loyalty program was fully classified as current for the year 2024. In previous periods, this balance was divided between current and non-current. The transition guidance in IAS 1 was adhered to, and the reclassification of the 2023 non-current loyalty programme deferred revenue of EUR 61 million to current, was applied retrospectively.

The other amendments listed above did not have any impact on the amounts recognised in prior periods and do not significantly affect the current period.

3. BUSINESS COMBINATIONS

On 4 January 2024, JDE Peet's completed the acquisition of the Brazilian coffee & tea business Indústrias Alimentícias Maratá Ltda ("Maratá") from JAV Group for a total purchase consideration of EUR 682 million, net of cash acquired. The acquisition expands JDE Peet’s’ emerging markets presence. Maratá’s coffee & tea business is predominantly present in the northern part of Brazil through its long-standing and well-known brands Café Maratá and Chá Maratá. The business employs around 1,200 employees, operates two manufacturing plants and reported around BRL 1.3 billion annual average sales for the last two years.

JDE Peet's applied the acquisition method to account for the Maratá business combination and included all assets and liabilities at fair value in accordance with IFRS 3. Consequently, purchase price allocation of all identifiable assets and (contingent) liabilities acquired were performed. The purchase price allocation was finalised in the year 2024.

The following table summarises the considerations paid and the fair values of assets and (contingent) liabilities acquired at the acquisition date (EUR million):

	Maratá
Property, plant and equipment	30
Other non-current assets	2
Deferred tax assets	1
Inventories	29
Income tax receivable	6
Trade and other receivables	69
Non-current borrowings	(1)
Provisions	(28)
Other non-current liabilities	(2)
Trade and other payables	(4)
Income tax liability	(5)
Net assets acquired	**97**
Goodwill	399
Trademarks	186
Total consideration in cash for the acquisition	**682**
Cash consideration paid in 2024	682
Total consideration in cash for the acquisition	**682**

Since the acquisition in 2024, Maratá contributed revenue of EUR 317 million and a net profit of EUR 38 million.

On 26 March 2024, JDE Peet's completed a long-term global license agreement to manufacture, market and sell Caribou consumer and foodservice coffee products, excluding Caribou coffeehouses, for a total consideration of EUR 245 million. The transaction provides JDE Peet's a strong platform to expand its premium coffee portfolio in North America. Under the terms of the agreement, JDE Peet's acquired Caribou's roasting operations in Minneapolis, Minnesota. The two companies have also reached a long-term strategic arrangement under which JDE Peet's will supply coffee products for sale in Caribou's coffeehouses.

The Caribou business was part of the JAB group of companies and consequently the accounting method of a business combination under common control was applied. Under this method, the assets and liabilities of the acquired business are recognised at the book values recognised in the ultimate parent entity's consolidated financial statements (adjusted for the alignment of accounting policies). The difference between the purchase consideration and the book values of the acquired assets and liabilities amounted to EUR 163 million and was recognised in equity.

Since the acquisition in 2024, Caribou contributed revenue of EUR 38 million and a net loss of EUR 4 million.

4. FINANCIAL RISKS

JDE Peet's' activities are exposed to a variety of financial risks.

Fair values

This note provides an update on the judgements and estimates made by JDE Peet's in determining the fair values of the financial instruments since the last consolidated financial statements.

The following table presents the assets and liabilities of JDE Peet's that are measured at fair value at 31 December 2024 (in EUR million):

	Level 1	Level 2	Level 3	Total
Assets				
Interest rate contracts	—	42	—	42
Foreign exchange contract	—	205	—	205
Commodity contracts	8	—	—	8
Total assets	**8**	**247**	**—**	**255**
Liabilities				
Unsecured notes - EU	4,095	—	—	4,095
Unsecured notes - US	1,200	—	—	1,200
Borrowings	—	273	—	273
Share-based payment liability	—	—	3	3
Management-owned shares liability	—	—	17	17
Interest rate contracts	—	20	—	20
Foreign exchange contracts	—	29	—	29
Commodity contracts	8	—	—	8
Total return equity swaps	—	248	—	248
Total liabilities	**5,303**	**570**	**20**	**5,893**

There were no transfers between different levels during the year ended 31 December 2024 and there were no changes in relation to 31 December 2023 with regards to the inputs and valuation techniques in determination of the fair values.

Liquidity

JDE Peet's' liquidity position remained strong, with total liquidity of EUR 2.7 billion consisting of a cash position of EUR 1.2 billion (excluding restricted cash) and an undrawn committed Revolving Credit Facility of EUR 1.5 billion.

5. SEGMENT INFORMATION

Effective 1 January 2024, the managerial responsibilities of certain minor business activities were transferred from Europe to LARMEA and from APAC to Unallocated. The comparative figures were updated to reflect these changes.

The segment information is presented for the year ended 31 December 2024 (all amounts in EUR million, in line with Note 2.1 of the consolidated financial statements for the year ended 31 December 2023):

Revenue	FY 2024	FY 2023[1]
Europe	4,717	4,680
LARMEA	2,030	1,537
Peet’s	1,257	1,153
APAC	796	791
Unallocated	37	30
Total	**8,837**	**8,191**

[1] *The comparative information for the year ended 31 December 2023, was updated to reflect the transfer of some minor business activities from Europe to LARMEA and from APAC to Unallocated. Refer to Segment information included in note 2. Accounting Standards.*

The CODM, the Company's CEO, reviews segment profitability based on adjusted EBIT. There are no intersegment revenues. For further details on adjusted EBIT, reference is made to note 2.1 of the consolidated financial statements for the year ended 31 December 2023.

Adjusted EBIT is reconciled to Operating profit and Profit before income taxes on a consolidated basis in the tables presented below (in EUR million):

	FY 2024	FY 2023[1]
Europe	1,041	995
LARMEA	223	158
Peet's	184	141
APAC	143	141
Unallocated	(314)	(307)
Adjusted EBIT	**1,277**	**1,128**
ERP system implementation	(16)	(7)
Transformation activities and corporate actions [2]	(60)	(127)
Share-based payment expense	(17)	(43)
Mark-to-market results	4	39
Amortisation acquired intangible assets and M&A/Deal costs [3]	(132)	(305)
Operating profit [4]	**1,056**	**685**
Finance income	95	104
Finance expense	(358)	(247)
Share of net loss of associates	(3)	(5)
Profit before income taxes	**790**	**537**

[1] The comparative information for the year ended 31 December 2023, was updated to reflect the transfer of some minor business activities from Europe to LARMEA and from APAC to Unallocated. Refer to Segment information included in note 2. Accounting Standards.

[2] Transformation activities and corporate actions in 2023 included expenses related to the establishment of the Europe omni-channel segment and the severance and an impairment charge related to the closure of the instant processing and R&D facilities in Banbury, UK. Further impairments and expenses for several cost-saving initiatives were included in 2024.

[3] This consistently includes amortisation of EUR 120 million (2023: EUR 109 million) related to intangible assets recognised or remeasured as part of purchase price allocations. In 2023, an impairment charge was recognised for an amount of EUR 185 million related to the Jacobs brand.

[4] In 2024, EUR (204) million of adjusting items (2023: EUR (410) million) were recognised in selling, general and administrative expenses and EUR (16) million (2023: EUR (33) million) in cost of sales.

Adjusted EBIT of the segments includes depreciation, which amounted to EUR 310 million (2023: EUR 298 million):

	FY 2024	FY 2023[1]
Europe	133	137
LARMEA	34	16
Peet's	84	82
APAC	31	32
Unallocated	28	31
Total	**310**	**298**

[1] The comparative information for the year ended 31 December 2023, was updated to reflect the transfer of some minor business activities from Europe to LARMEA and from APAC to Unallocated. Refer to Segment information included in note 2. Accounting Standards.

Entity-wide disclosures:

The total revenue from external customers, broken down by the location of the selling entity is shown in the following table (in percentages of total revenue):

	FY 2024	FY 2023
United States	13%	13%
Germany	9%	10%
Brazil	11%	7%
France	12%	12%
Netherlands	9%	9%
Rest of World	46%	49%
Total Revenue	**100%**	**100%**

There are no individual customers that amount to 10% or more of JDE Peet's revenue.

6 REVENUE

The total revenue from external customers, broken down by product is shown in the following table (in percentages of total revenue):

	FY 2024	FY 2023
Coffee	85%	84%
Tea	3%	3%
Other food and beverage	10%	11%
Services	2%	2%
Total	**100%**	**100%**

7. EXPENSES BY NATURE

The aggregate of cost of sales and selling, general and administrative expenses is specified by nature as follows (in EUR million):

	FY 2024	FY 2023
Cost of product [1]	4,718	4,213
Employee benefits expense [2]	1,255	1,270
Other selling, general and administrative expenses [3]	1,345	1,333
Depreciation, amortisation and impairment	457	638
Restructuring and restructuring related expenses	6	52
Total	**7,781**	**7,506**

[1] *Cost of product mainly consists of raw materials (green coffee beans, tea leaves and other materials) for 68% (2023: 66%), packaging 11% (2023:13%), coffee taxes 4% (2023: 4%), outsourced production services 2% (2023: 3%) and inbound freight 2% (2023: 2%).*

[2] *Employee benefit expense consists of wages, salaries, pension costs, share-based payments and related social security charges.*

[3] *Other selling, general and administrative expenses in the table above include costs for advertising and promotion, distribution, repairs, maintenance and utilities, amongst others.*

8. EARNINGS PER SHARE

Basic earnings per share (“EPS”) is calculated by dividing the profit for the year attributable to the shareholders of the Company by the time-weighted average number of common shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to the shareholders of the Company by the time-weighted average number of common shares outstanding during the period adjusted for the time-weighted average number of common shares that would be issued on the conversion of all the dilutive potential common shares into common shares. At both the level of the Company, and subsidiary level, there are share-based payment plans that should be considered in the earnings per share calculation. The share-based payment plans at the subsidiary level are taken into consideration in the determination of the net profit attributable to owners of the Company.

The calculation of the basic and diluted earnings per share is based on the following data:

	FY 2024	FY 2023
Earnings for the purposes of basic earnings per share being net profit attributable to owners of the Company (in EUR million)	**561**	**367**
Number of shares		
Time-weighted average number of ordinary shares for the purposes of basic earnings per share	486,961,255	485,747,602
Adjustments for the calculation of diluted earnings per share: Share-based payment plans	7,732,384	6,075,375
Time-weighted average number of ordinary shares for the purposes of diluted earnings per share	**494,693,639**	**491,822,977**
Basic EPS (in EUR)	1.15	0.76
Diluted EPS (in EUR)	1.13	0.75

The total number of shares outstanding (excluding treasury shares) at 31 December 2024 was 488,178,642 (2023: 486,042,837). At 31 December 2024, the Company held no shares in Treasury Stock (2023: 1,403,020).

9. FINANCE INCOME AND EXPENSE

Finance income and expense consist of the following (in EUR million):

	FY 2024	FY 2023
Interest income	83	91
Interest expense [1]	(147)	(94)
Net financing cost of financial debt	**(64)**	**(3)**
Interest income on plan assets	72	75
Interest expense on defined benefit obligation	(60)	(62)
Total pension finance (expense) / income	**12**	**13**
Foreign exchange gain / (loss)	(208)	45
Change in fair value of derivative financial instruments [2]	8	(195)
Fair value changes financial liabilities	4	(3)
Net monetary gain / (loss)	(15)	—
Total other	**(211)**	**(153)**
Net finance expense	**(263)**	**(143)**

[1] *Interest expense primarily includes interest on unsecured notes (2024: EUR 84 million; 2023: EUR 45 million), total return equity swaps (2024: EUR 26 million; 2023: EUR 23 million), lease liabilities (2024: EUR 11 million; 2023: EUR 9 million), bank overdrafts (2024: EUR 5 million; 2023: EUR 4 million), amortisation expenses (2024: EUR 6 million; 2023: EUR 6 million) and interest rate swaps (2024: EUR 5 million; 2023: EUR 0 million).*

[2] *Change in fair value of derivative financial instruments includes the total return equity swaps (2024: EUR (154) million; 2023: EUR (53) million)*

10. INCOME TAX

In 2024, JDE Peet's' income tax expense amounted to EUR (247) million and the profit before tax amounted to EUR 790 million, resulting in an effective tax rate of 31.3% (2023: 32.2%). This is 0.9% lower than last year, which is primarily driven by (i) higher profits against lower average tax rates (decrease of 1.2%), (ii) decreasing impact of deferred tax assets derecognition (decrease of 1.8%), partly offset by (iii) higher non-deductible fair value losses from derivative instruments and other non-deductible expenses (increase of 1.8%).

Pillar Two
The assessment of the potential exposure to Pillar Two income taxes is based on the current year information available regarding the financial performance of the constituent entities within JDE Peet's. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which JDE Peet's operates are above 15%. However, there is a limited number of jurisdictions where the transitional safe harbour relief does not apply and the Pillar Two effective tax rate is close to 15%. The total amount of Pillar Two income taxes that is recognised at year-end 2024, is considered not material.

11. GOODWILL AND OTHER INTANGIBLE ASSETS

Assets that are subject to amortisation are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. Assets that have an indefinite useful life, such as goodwill, trademarks and brands, are not subject to amortisation and are tested at least annually for impairment. This test was performed on the last day of the third quarter of the year and whenever a significant event occurs or circumstances change that might reduce the recoverable amount of the goodwill.

Management performed sensitivity analyses around the key assumptions. Management believes that no reasonable possible changes in key assumptions would cause, in isolation, the recoverable amount of the significant cash generating units to be less than the carrying value. Special consideration was given to the value of the Russian business within the LARMEA segment and specific analyses were performed, which did not change the above conclusion. Any changes in the situation, including the assessment on retaining control over the operations in Russia, may lead to increased sensitivity in the valuation assessment of the LARMEA segment. JDE Peet's has applied for an extension of the license obtained from the Dutch competent authorities under article 5n, paragraph 10 of EU Council Regulation No 833/2014, which is valid until 31 May 2025.

12. BORROWINGS

The Group's borrowing facilities through the year ended 31 December 2024 are summarised in the following tables (in EUR million):

	Currency	31 December 2023	Business combinations	Unwinding discount	Additions	Repaid	Remeasure-ment	Amortisation	Recognition of lease liability	Currency translation	31 December 2024
Unsecured notes - EU	EUR	4,088	—	—	—	—	4	3	—	—	4,095
Unsecured notes - US	USD	1,581	—	—	—	(450)	(4)	1	—	72	1,200
JDE: Other financing	Various	8	1	—	62	(65)	—	—	—	(3)	3
Leases	Various	261	—	13	—	(91)	—	(3)	97	10	287
Unamortised discounts and costs		(23)	—	—	—	—	—	6	—	—	(17)
Total borrowings		**5,915**	**1**	**13**	**62**	**(606)**	**—**	**7**	**97**	**79**	**5,568**
Non-current		5,388									4,999
Current		527									569

13. POST EMPLOYMENT AND OTHER LONG TERM EMPLOYEE BENEFIT PLANS

JDE Peet's updated the actuarial valuations of it defined benefit plans at 31 December 2024.

The retirement benefit asset of EUR 504 million at 31 December 2024 represents the net asset of the plans in the United Kingdom and increased EUR 72 million compared to 31 December 2023. The increase was mainly driven by net interest income of EUR 17 million (2023: 18 million), actuarial gains of EUR 32 million (2023: losses of EUR 21 million) and EUR 22 million (2023: EUR 9 million) favourable translation results of the net asset position from British Pound to Euro.

The retirement benefit liabilities decreased from EUR 170 million at 31 December 2023 to EUR 165 million at 31 December 2024, mainly from actuarial gains of EUR 10 million (2023: losses of EUR 16 million) and net interest expense of EUR 5 million (2023: EUR 5 million).

The weighted-average actual assumptions used in measuring the defined benefit cost recognised in the consolidated income statement of the next year and plan obligations at the end of the reporting periods are as follows:

	31 December 2024		31 December 2023	
	UK	Germany	UK	Germany
Discount rate	5.40%	3.40%	4.50%	3.20%
Indexation rate inactive participants - deferred	2.90%	N/A	2.75%	N/A
Indexation rate inactive participants - pensioners	2.85%	2.00%	2.75%	2.00%
Inflation rate	3.30%	2.00%	3.20%	2.50%
Future salary increases	N/A	2.75%	N/A	2.75%

14. SUBSEQUENT EVENTS

Management did not identify any adjusting or non-adjusting subsequent events.

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