

Heineken Holding N.V. reports on 2022 third-quarter trading

Amsterdam, 26 October 2022 – Heineken Holding N.V. (EURONEXT: HEIO; OTCQX: HKHHY) publishes its trading update for the third quarter of 2022.

Key Quarterly Highlights

- Revenue growth 27.5%
- Net revenue (beia) organic growth 19.8%; net revenue (beia) per hectolitre organic growth 11.1%
- Beer volume organic growth 8.9%; premium volume organic growth 15.0%
- Heineken® volume growth 11.3%
- 2022 full year expectations unchanged

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

Financial Summary

For the first nine months of the year, **revenue** was €25,816 million (2021: €19,354 million). **Net revenue (beia)** was €21,273 million (2021: €16,000 million), increasing organically by 22.6%. Currency translation positively impacted net revenue (beia) by €1,168 million or 7.3%, mainly driven by the Brazilian Real, the Mexican Peso and the Vietnamese Dong. The consolidation of United Breweries Limited (UBL) in India positively impacted net revenue (beia) by €564 million or 3.5%.

In the third quarter, **revenue** was €9,415 million (2021: €7,383 million). **Net revenue (beia)** grew organically by 19.8% and came to €7,788 million (2021: €6,029 million), benefitting from the sharp post-COVID recovery in Asia Pacific. Total consolidated volume grew 7.6% and net revenue (beia) per hectolitre was up 11.1%. Price mix on a constant geographic basis was up 13.2%, driven by pricing to mitigate inflationary pressure and premiumisation effects. Throughout the rest of this report, figures refer to quarterly performance unless otherwise indicated.

Revenue¹

| <i>(in € million or %)</i> | 3Q22 | Total growth | Organic growth | YTD 3Q22 | Total growth | Organic growth |
|----------------------------|--------------|--------------|----------------|-----------------|--------------|----------------|
| Revenue (IFRS) | 9,415 | 27.5% | | 25,816 | 33.4% | |
| Net revenue (beia) | 7,788 | | 19.8% | 21,273 | | 22.6% |

Beer volume grew 8.9% organically versus last year and came 1.4% ahead of 2019 on an organic basis. The year on year growth was mainly driven by the strong recovery in Asia Pacific from the COVID-related restrictions of last year. Europe, the Americas and Africa, Middle East & Eastern Europe saw a low-single digit growth.

Beer volume

| <i>(in mhl or %)</i> | 3Q22 | Total growth | Organic growth | YTD 3Q22 | Total growth | Organic growth |
|----------------------|-------------|--------------|----------------|-----------------|--------------|----------------|
| Heineken N.V. | 66.8 | 10.9% | 8.9% | 193.6 | 13.9% | 8.1% |

¹ Refer to the Glossary for an explanation of organic growth and other terms used throughout this report.

Premium beer volume grew 15.0% (18.1% excluding Russia), outperforming the portfolio and boosted by the strong recovery of Tiger in Vietnam. Heineken® continued its strong momentum and grew 11.3% in volume (14.9% excluding Russia), significantly outperforming the total beer market and ahead of 2019 by 29%. Volume grew double-digits in close to 50 markets. The growth was mainly driven by Brazil, China, South Africa, Vietnam, the Netherlands, Poland, Germany and Nigeria. **Heineken® 0.0** grew 7.9% excluding Russia, driven by the Americas and Europe. **Heineken® Silver** is now launched in 28 markets, including Mexico, Chile and India. Overall, Heineken® Silver more than doubled its volume, driven by the recovery of Vietnam, continued strong growth in China and its global roll-out.

Heineken® volume

| <i>(in mhl or %)</i> | 3Q22 | Organic growth | YTD 3Q22 | Organic growth |
|----------------------|-------------|----------------|-----------------|----------------|
| Heineken N.V. | 14.2 | 11.3% | 40.1 | 12.9% |

Reported Net Profit of Heineken N.V.

The reported net profit of Heineken N.V. for the first nine months of 2022 was €2,199 million (2021: €3,083 million). Last year included an exceptional gain of €1.270 million from the remeasurement to fair value of the previously held equity interest in United Breweries in India.

Translational Currency Calculated Impact

Based on the impact to date, and applying spot rates of 24 October 2022 to the 2021 financial results as a baseline for the remainder of the year, HEINEKEN calculates a positive currency translational impact of approximately €1,680 million in net revenue (beia), €250 million at operating profit (beia) and €180 million at net profit (beia).

Reconciliation of non-GAAP measures

In the internal management reports, HEINEKEN uses the measure of net revenue (beia).

Reconciliation net revenue (beia)

| <i>In millions of €</i> | 3Q22 | 3Q21 | YTD 3Q22 | YTD 3Q21 |
|---|--------------|---------|-----------------|----------|
| Revenue (IFRS) | 9,415 | 7,383 | 25,816 | 19,354 |
| Excise tax expense | (1,627) | (1,353) | (4,543) | (3,313) |
| Net revenue | 7,788 | 6,030 | 21,273 | 16,041 |
| Exceptional items included in net revenue | — | (1) | — | (41) |
| Net revenue (beia) | 7,788 | 6,029 | 21,273 | 16,000 |

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

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Editorial information:

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HEINEKEN is the world's most international brewer. It is the leading developer and marketer of premium and non-alcoholic beer and cider brands. Led by the Heineken® brand, the Group has a portfolio of more than 300 international, regional, local and specialty beers and ciders. With HEINEKEN's over 82,000 employees, HEINEKEN brews the joy of true togetherness to inspire a better world. HEINEKEN's dream is to shape the future of beer and beyond to win the hearts of consumers. HEINEKEN is committed to innovation, long-term brand investment, disciplined sales execution and focused cost management. Through "Brew a Better World", sustainability is embedded in the business. HEINEKEN has a well-balanced geographic footprint with leadership positions in both developed and developing markets. HEINEKEN operates breweries, malteries, cider plants and other production facilities in more than 70 countries. Most recent information is available on the websites: www.heinekenholding.com and www.theHEINEKENcompany.com and follow HEINEKEN on [LinkedIn](#), [Twitter](#) and [Instagram](#).

Market Abuse Regulation

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

Disclaimer:

This press release contains forward-looking statements with regard to the financial position and results of HEINEKEN's activities. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond HEINEKEN's ability to control or estimate precisely, such as future market and economic conditions, developments in the ongoing COVID-19 pandemic and related government measures, the behaviour of other market participants, changes in consumer preferences, the ability to successfully integrate acquired businesses and achieve anticipated synergies, costs of raw materials, interest-rate and exchange-rate fluctuations, changes in tax rates, changes in law, change in pension costs, the actions of government regulators and weather conditions. These and other risk factors are detailed in HEINEKEN's publicly filed annual reports. You are cautioned not to place undue reliance on these forward-looking statements, which speak only of the date of this press release. HEINEKEN does not undertake any obligation to update these forward-looking statements contained in this press release. Market share estimates contained in this press release are based on outside sources, such as specialised research institutes, in combination with management estimates.

GLOSSARY

®

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

Beia

Before exceptional items and amortisation of acquisition-related intangible assets.

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.

Consolidation changes

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

Licensed Beer 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.

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.

Gross merchandise value

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

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.

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.

Non-Beer Volume

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

Organic Growth

Organic growth in volume excludes the effect of consolidation changes.

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.