

Heineken Holding N.V. reports 2021 full year results

Amsterdam, 16 February 2022 – Heineken Holding N.V. (EURONEXT: HEIO; OTCQX: HKHHY) announces:

Key Highlights

- The net result of Heineken Holding N.V.'s participating interest in Heineken N.V. for 2021 amounts to €1.663 million
- 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)

Financial Summary¹

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 of Heineken Holding N.V.	1,663		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 13 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 N.V., as they believe 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

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.

During 2021, HEINEKEN deployed its 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.

HEINEKEN's superior growth ambition is grounded in building a favourable geographic footprint, its 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. HEINEKEN 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 volume¹

<i>(in mhl)</i>	4Q21	4Q20	Organic growth	FY21	FY20	Organic growth
Heineken N.V.	61.1	56.2	6.2%	231.2	221.6	4.6%

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

Premium beer volume grew 10.0%, outperforming the portfolio in the majority of HEINEKEN's markets, and accounts for more than 60% of the total organic growth in beer volume in 2021. HEINEKEN's 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, HEINEKEN will roll-out Heineken® Silver internationally to reach more than 20 markets in 2022.

Heineken® volume

<i>(in mhl)</i>	4Q21	Organic growth	FY21	Organic growth
Total Heineken N.V.	13.3	24.1%	48.8	17.4%

Outlook Statements

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

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

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

Reflecting HEINEKEN's confidence in the long-term, it intends to reverse the cost mitigation actions undertaken in 2021 and to further step up its investments in brand support and its 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, HEINEKEN expects 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, HEINEKEN will update the 2023 guidance later in the year.

HEINEKEN also anticipates:

- 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 the policy, will be proposed to the Annual General Meeting of Shareholders of Heineken N.V. 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.

If Heineken N.V. shareholders approve the proposed dividend, Heineken Holding N.V. will, according to its Articles of Association, pay an identical dividend per share. A final dividend of €0.96 per share of €1.60 nominal value will be payable as of 3 May 2022.

Both the Heineken Holding N.V. shares and the Heineken N.V. shares will trade ex-dividend on 25 April 2022. The dividend payment will be subject to a 15% Dutch withholding tax.

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).

Board of Directors Composition

Mr J.A. Fernández Carbajal will have completed his four-year appointment term upon conclusion of the Annual General Meeting of Shareholders of Heineken Holding N.V. on 21 April 2022 ("2022 AGM"). A non-binding nomination for the reappointment of Mr Fernández Carbajal shall be submitted to the 2022 AGM. He is a representative of FEMSA (that (in)directly holds a 14.76% economic interest in the HEINEKEN group), and his (re)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 Annual General Meeting of Shareholders on 22 April 2010 (in connection with the acquisition by Heineken N.V. of FEMSA's beer activities). Mr Fernández Carbajal has been a member of the Board of Directors since 2010. The proposed reappointment 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.

Mrs A.M. Fentener van Vlissingen and Mrs L.L.H. Brassey will have completed their four-year appointment term upon conclusion of the 2022 AGM. Mrs A.M. Fentener van Vlissingen and Mrs L.L.H. Brassey are eligible for reappointment as non-executive member of the Board of Directors of Heineken Holding N.V. for a period of four years and a non-binding recommendation shall be submitted to the 2022 AGM in this respect.

A non-binding recommendation, drawn up by the Board of Directors, will be submitted to the 2022 AGM to appoint Mr C.A.G. de Carvalho as non-executive member of the Board of Directors, for the maximum period of four years (i.e. until the end of the Annual General Meeting of Shareholders to be held in 2026). The proposed appointment of Mr C.A.G. de Carvalho, the youngest son of Mrs C.L. de Carvalho-Heineken, would continue the tradition of personal involvement in HEINEKEN by successive generations of the Heineken family. Mr C.A.G. de Carvalho (1991) is a national of the Netherlands and the United Kingdom. After graduating from Princeton University, Mr C.A.G. de Carvalho lived and worked in Asia. He worked in e-commerce for Lazada Group and gained experience with the beer sector while working for Schmatz Beer Dining, a German restaurant chain and beer brand. Mr C.A.G. de Carvalho is currently completing his Master of Business Administration at the Wharton School of the University of Pennsylvania.

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Investor Calendar Heineken N.V.

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

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 2021 payable	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. This call will also be accessible for Heineken Holding N.V. shareholders. The live video webcast will be accessible via the Heineken N.V.'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 Holding N.V. engages in no activities other than its participating interest in Heineken N.V. and the management or supervision of and provision of services to that company.

HEINEKEN is the world's most international brewer. It is the leading developer and marketer of premium and non-alcoholic beer and cider brands. Led by the Heineken® brand, the Group has a portfolio of more than 300 international, regional, local and specialty beers and ciders. 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 employs over 82,000 employees and operates breweries, malteries, cider plants and other production facilities in more than 70 countries. Heineken Holding N.V. and Heineken N.V. shares trade on the Euronext in Amsterdam. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIO NA and HEIA NA and on Reuters under HEIO.AS and HEIN.AS . HEINEKEN has two sponsored level 1 American Depositary Receipt (ADR) programmes: Heineken Holding N.V. (OTCQX: HKHHY) and Heineken N.V. (OTCQX: HEINY). Most recent information is available on the websites: www.heinekenholding.com and www.theHEINEKENcompany.com and follow HEINEKEN 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.

Report of the Board of Directors

Heineken Holding N.V. has a 50.005% interest in the issued share capital (being 50.040% (2020: 50.029%) of the outstanding share capital) of Heineken N.V. Standing at the head of HEINEKEN, Heineken Holding N.V. is not an ordinary holding company. Since its formation in 1952, Heineken Holding N.V.'s object pursuant to its Articles of Association has been to manage or supervise the management of HEINEKEN and to provide services for Heineken N.V. Within HEINEKEN, the primary duties of Heineken N.V.'s Executive Board are to initiate and implement corporate strategy and to manage Heineken N.V. and its related enterprise. It is supervised in the performance of its duties by Heineken N.V.'s Supervisory Board. Because Heineken N.V. manages the HEINEKEN group companies, Heineken Holding N.V., unlike Heineken N.V., does not have an internal risk management and control system. Heineken Holding N.V. does not engage in any operational activities and employs no staff.

Further information regarding the developments during the financial year 2021 of Heineken N.V. and its related companies, and the material risks Heineken N.V. is facing is given in Heineken N.V.'s press release.

Board of Directors

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

CONSOLIDATED FINANCIAL STATEMENTS FOR THE FULL YEAR 2021

<u>Contents</u>	<u>Page</u>
Consolidated income statement	8
Consolidated statement of comprehensive income	8
Consolidated statement of financial position	9
Consolidated statement of cash flows	10
Consolidated statement of changes in equity	11
Non-GAAP measures	13
Glossary	14

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 website (www.heinekenholding.com) as of 25 February 2022.

Consolidated Income Statement

For the year ended 31 December

<i>In millions of €</i>	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 Heineken Holding N.V. (net profit/(loss))	1,663	(102)
Non-controlling interests in Heineken N.V.	1,661	(102)
Non-controlling interests in Heineken N.V. group companies	211	116
Profit/(Loss)	3,535	(88)
Weighted average number of shares – basic	288,030,168	288,030,168
Weighted average number of shares – diluted	288,030,168	288,030,168
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

<i>In millions of €</i>	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 Heineken Holding N.V.	2,284	(1,064)
Non-controlling interests in Heineken N.V.	2,278	(1,063)
Non-controlling interests in Heineken N.V. group companies	313	23
Total comprehensive income/(loss)	4,875	(2,104)

Consolidated Statement of Financial Position

As at 31 December

<i>In millions of €</i>	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

As at 31 December

<i>In millions of €</i>	2021	2020
Heineken Holding N.V. shareholders' equity	8,593	6,604
Non-controlling interests in Heineken N.V.	8,763	6,788
Non-controlling interests in Heineken N.V. group companies	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

Consolidated Statement of Cash Flows

For the year ended 31 December

<i>In millions of €</i>	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

<i>In millions of €</i>	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

Consolidated Statement of Changes in Equity

<i>In millions of €</i>	Share capital	Share premium	Translation reserve	Hedging reserve	Cost of hedging reserve	Fair value reserve	Other legal reserves	Retained earnings	Shareholders of Heineken Holding N.V.	Non-controlling interests in Heineken N.V.	Non-controlling interests in Heineken N.V. group companies	Total equity
Balance as at 1 January 2020	461	1,257	(1,511)	(8)	2	158	560	7,074	7,993	8,154	1,164	17,311
Profit/(loss)	—	—	—	—	—	—	43	(145)	(102)	(102)	116	(88)
Other comprehensive income/(loss)	—	—	(965)	25	(3)	(50)	—	31	(962)	(961)	(93)	(2,016)
Total comprehensive income/(loss)	—	—	(965)	25	(3)	(50)	43	(114)	(1,064)	(1,063)	23	(2,104)
Realised hedge results from non-financial assets	—	—	—	(1)	—	—	—	—	(1)	(1)	—	(2)
Transfer to retained earnings	—	—	(7)	—	—	(80)	(15)	102	—	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	(300)	(300)	(297)	(228)	(825)
Purchase own shares by Heineken N.V.	—	—	—	—	—	—	—	(3)	(3)	(2)	20	15
Negative dilution	—	—	—	—	—	—	—	(9)	(9)	9	—	—
Share-based payments by Heineken N.V.	—	—	—	—	—	—	—	(13)	(13)	(12)	—	(25)
Changes in consolidation by Heineken N.V.	—	—	—	—	—	—	—	1	1	—	21	22
Balance as at 31 December 2020	461	1,257	(2,483)	16	(1)	28	588	6,738	6,604	6,788	1,000	14,392

Consolidated Statement of Changes in Equity (continued)

<i>In millions of €</i>	Share capital	Share premium	Translation reserve	Hedging reserve	Cost of hedging reserve	Fair value reserve	Other legal reserves	Retained earnings	Shareholders of Heineken Holding N.V.	Non-controlling interests in Heineken N.V.	Non-controlling interests in Heineken N.V. group companies	Total equity
Balance as at 1 January 2021	461	1,257	(2,483)	16	(1)	28	588	6,738	6,604	6,788	1,000	14,392
Profit/(loss)	—	—	—	—	—	—	121	1,542	1,663	1,661	211	3,535
Other comprehensive income/(loss)	—	—	468	47	(3)	5	—	104	621	617	102	1,340
Total comprehensive income/(loss)	—	—	468	47	(3)	5	121	1,646	2,284	2,278	313	4,875
Realised hedge results from non-financial assets	—	—	—	(33)	—	—	—	—	(33)	(32)	—	(65)
Transfer to retained earnings	—	—	1	—	—	(4)	(143)	146	—	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	(282)	(282)	(282)	(238)	(802)
Purchase own shares by Heineken N.V.	—	—	—	—	—	—	—	(7)	(7)	(7)	28	14
Dilution	—	—	—	—	—	—	—	4	4	(4)	—	—
Share-based payments by Heineken N.V.	—	—	—	—	—	—	—	28	28	27	—	55
Acquisition of non-controlling interests in Heineken N.V. group companies	—	—	—	—	—	—	—	(5)	(5)	(5)	—	(10)
Changes in consolidation by Heineken N.V.	—	—	—	—	—	—	—	—	—	—	1,241	1,241
Balance as at 31 December 2021	461	1,257	(2,014)	30	(4)	29	566	8,268	8,593	8,763	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).

<i>In millions of €</i>	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 Heineken Holding N.V. (net profit/(loss))	1,663	(102)
Non-controlling interests in Heineken N.V.	1,661	(102)
	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 Heineken N.V. Head Office and eliminations.

HEINEKEN

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

Net debt

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

Net profit/(loss)

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

Net revenue

Revenue as defined in IFRS 15 (after discounts) minus the excise tax expense for those countries where the excise is borne by HEINEKEN.

Net revenue per hectolitre

Net revenue divided by total consolidated volume.

Organic growth

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

Organic volume growth

Growth in volume, excluding the effect of consolidation changes.

Price mix on a constant geographic basis

Refers to the different components that influence net revenue per hectolitre, namely the changes in the absolute price of each individual sku and their weight in the portfolio. The weight of the countries in the total revenue in the base year is kept constant.

Profit/(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 shares outstanding, adjusted for the weighted average number of own shares purchased or held.