Heineken N.V. reports 2024 half year results

Amsterdam, 29 July 2024 – Heineken N.V. (EURONEXT: HEIA; OTCQX: HEINY) announces:

Key Highlights

- Revenue €17,823 million
- Net revenue (beia) 6.0% organic growth; per hectolitre 4.3%
- Beer volume organic growth 2.1%; Heineken® volume 9.2% growth
- Operating profit €1,542 million; operating profit (beia) organic growth 12.5%
- Diluted EPS (beia) €2.15; up 5.9%
- Outlook for the full year updated: operating profit (beia) expected to grow organically in the range of 4% to 8%.

CEO Statement

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

"We delivered a solid first half of the year, organically growing net revenue (beia) 6% and operating profit (beia) 12.5%. The Americas region stood out, as portfolio mix and major ongoing saving initiatives resulted in a strong operating profit improvement, notably in Brazil and Mexico. APAC returned to growth, led by India and with the Vietnamese beer market stabilizing. We are actively navigating volatility in Africa. In Europe we gained market share in the majority of our markets and beer volume was slightly up compared to last year despite poor weather in June.

Our EverGreen strategy continues to shape our business. Premium beer volume grew 5%, led by the Heineken® brand, up 9%. Heineken® was proud to receive a record 22 awards from the Cannes Lions Festival. We consolidated leadership in the Low & No-alcohol category, with Heineken® 0.0 up 14%. We are firmly on-track to deliver €0.5 billion gross savings for 2024, enabling us to invest in growing the category and in building strong brands.

In the second half, we will materially step-up investment in market and sales expenditures, with notable increases in key markets. We update our full year outlook to grow operating profit (beia) organically in the range of 4% to 8%, reflecting our confidence in delivery and commitment to invest behind growth and to future-proof our business."

Financial Summary[1]

IFRS Measures	€ million	Total growth	BEIA Measures	€ million	Organic growth[2]
Revenue	17,823	2.2%	Revenue (beia)	17,812	5.9%
Net revenue	14,824	2.1%	Net revenue (beia)	14,814	6.0%
Operating profit	1,542	-4.3%	Operating profit (beia)	2,079	12.5%
			Operating profit (beia) margin	14.0%	
Net profit*	-95		Net profit (beia)	1,204	4.4%
Diluted EPS (in €)*	-0.17		Diluted EPS (beia) (in €)	2.15	5.9%
			Free operating cash flow	655	
			Net debt / EBITDA (beia)[3]	2.4x	

*Includes non-cash impairments of €1,050 million in accordance with IFRS (IAS 28 and 36). For more details go to pages 5, 14 and 29.

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 12 includes a reconciliation versus IFRS metrics. These non-GAAP measures are included in internal management reports that are reviewed by the Executive Board of HEINEKEN, as management believes that this measurement is the most relevant in evaluating the results and in performance management.
2 Organic growth shown, except for Diluted EPS (beia), which is total growth.
3 Includes acquisitions and excludes disposals on a 12 month pro-forma basis.

Operational Review

During the first half of 2024, we continued to execute our EverGreen strategy and restored balanced growth despite experiencing economic volatility in certain markets. Growth remains our priority and we aspire to shape the future of beer and beyond to win the hearts of consumers. We also aim to become the best digitally connected brewer, raise the bar on sustainability and responsibility and evolve our capabilities and culture to embrace future opportunities. To fund our growth, and deliver on our EverGreen ambitions, we continue to drive productivity and capital efficiency in the pursuit of sustainable, long-term value creation.

SHAPE THE FUTURE OF BEER AND BEYOND

Superior and balanced growth

We aim for balanced volume and value growth through building and scaling premium and strategic mainstream brands, supported by innovation in fast-growing consumer segments, excellent commercial execution and further developing our geographic and portfolio footprint. In the first half of 2024, we saw encouraging signs of consumer demand stabilising and we were able to restore balanced growth.

Revenue for the first half of 2024 was €17.8 billion, up 2.2%. **Net revenue (beia)** was €14.8 billion, up 6.0% organically, mainly driven by the growth of our largest operating companies in Nigeria, Mexico, Brazil, Vietnam and India. Total consolidated volume increased 1.7% and net revenue (beia) per hectolitre was up 4.3% with a positive contribution from all regions, most notably in Africa & Middle East. The underlying price-mix on a constant geographic basis was up 4.9%. Currency translation reduced net revenue (beia) by €625 million or 4.3%, mainly driven by the 48% devaluation of the Nigerian naira versus the euro. Consolidation changes had a positive impact to net revenue (beia) of €51 million, the net result of the Distell and Namibia Breweries acquisitions, the sale of Vrumona in the Netherlands and our exit from Russia.

Beer volume for the first half of 2024 increased organically 2.1% versus last year, with all regions contributing. We gained or held market share in more than half of our markets. Growth in the second quarter was lower as Easter fell in the first quarter in 2024 (versus the second quarter in 2023), competition intensified in the economy segment in Brazil and poor June weather in Europe.

Beer volume *(in mhl)*	2Q23	**2Q24**	Organic growth	HY23	**HY24**	Organic growth
Heineken N.V.	65.3	**62.8**	-0.1%	120.1	**118.2**	2.1%
Africa & Middle East	9.6	**7.0**	-0.4%	18.6	**14.5**	1.5%
Americas	21.8	**21.3**	-2.5%	42.2	**42.7**	1.1%
Asia Pacific	11.0	**11.7**	4.6%	21.3	**23.0**	6.9%
Europe	22.8	**22.8**	0.0%	38.0	**38.0**	0.6%

Driving premiumisation at scale, led by Heineken®

Premium beer volume was up 5.1%, ahead of the total beer portfolio in aggregate and in more than half of our markets. The growth was again led by Heineken®, with further contributions from Kingfisher Ultra, Dos Equis, Desperados and Birra Moretti, amongst others.

Heineken® grew volume in the first half by 9.2% with the second quarter up 6.0%. The growth was broad-based, with more than 27 markets growing double-digit, most notably Brazil, China, Vietnam and the DRC. **Heineken® Silver** grew volume by more than 40%, led by Vietnam and China.

The **Heineken®** brand continues to be admired for its creativity, in both ideas and execution. The brand was recognised as the #1 most creative brand in the alcoholic drinks category and the #2 most creative brand across all categories at the prestigious Cannes Lions Festival of Creativity, taking home a record 22 awards. New campaigns included "The First Ahhh!", celebrating its dedication to the craft of brewing and the joy at the first sip from a fresh Heineken®, and "The Boring Phone", noting that the more refreshing your social life, the more rewarding it becomes.

Heineken® volume

(in mhl)	2Q23	**2Q24**	Organic growth	HY23	**HY24**	Organic growth
Total	**14.2**	**15.0**	6.0%	**26.3**	**28.7**	9.2%
Africa & Middle East	**1.4**	**1.3**	-1.2%	**2.7**	**2.5**	-0.7%
Americas	**5.6**	**5.7**	1.8%	**11.0**	**11.7**	6.2%
Asia Pacific	**2.6**	**3.1**	22.9%	**4.9**	**6.4**	30.5%
Europe	**4.7**	**4.9**	3.9%	**7.8**	**8.2**	3.6%

Our **international brand portfolio** complements **Heineken®** to reach a broader set of consumer needs and occasions. **Amstel** volume growth was driven by a very strong performance in Brazil where it further expanded its leadership position in the pure malt mainstream segment. **Birra Moretti** continued to grow in the UK driven by the launch of its line extension Sale di Mare, an unfiltered lager with a pinch of Italian sea salt. The brand achieved double-digit growth in 14 European markets, with notably strong results in Romania and Switzerland. The performance of **Tiger** was mixed: whilst **Tiger Crystal** grew volume by a high-single-digit, the overall brand volume declined, affected by soft consumer demand in Vietnam, its largest market.

Pioneer choice in low & no-alcohol

We believe in empowering consumers seeking to enjoy a lower or no-alcohol-content beverage by ensuring there is always a choice – everywhere and on any occasion. Our **low & no-alcohol (LONO)** portfolio volume was up by a high-single-digit during the first half, with double-digit growth in more than 20 markets including Brazil, Egypt, the DRC, Vietnam and the UK.

The growth was mainly driven by our **non-alcoholic beer and cider portfolio**, up by a high-single-digit. **Heineken® 0.0** continued to lead this growth, up by 14%, further consolidating its position as the #1 non-alcoholic beer brand globally. We are expanding its global footprint with the launch in Cambodia this year. Moreover, we continue to introduce 0.0 variants of our key brands. As an example, we launched El Águila Sin Filtrar 0.0 in Spain, bringing a naturally unfiltered premium proposition into the portfolio.

Explore beyond beer

HEINEKEN is the #1 player outside the USA in beyond beer alcohol. Our volume of flavoured beer and beyond beer alcoholic propositions grew to 7.7 million hectolitres in the first half.

Desperados, the leading "spirit beer" for high-energy consumption occasions, held volume stable, with strong growth in Nigeria and Ivory Coast partially offset by a small decline in Europe, where it has its largest consumer base.

Cider volume grew by one-third to 3.6 million hectolitres following the integration of the Distell portfolio in South Africa. Savanna continued its momentum and grew market share; volume was up by a high-single-digit versus last year.

We invest to further unlock new growth opportunities for flavoured, moderate alcohol beverage propositions to meet different consumer occasions. We are introducing several innovative product concepts locally to test and learn. For example, in Spain we leveraged on the strong position of our cider Ladrón de Manzanas and recently launched Ladrón de Verano, a refreshing premium red wine with natural lemon juice into the well-established "tintos de verano" category.

Our advantaged footprint

We are shaping our geographical and portfolio footprint to enhance our long-term, sustained growth advantage. We apply clear capital allocation criteria, seeking to build on our growth priorities and address value-diluting operations.

On 21 May, we announced our minority investment in the fast-growing Dutch brand STËLZ, whose hard seltzer and ready-to-drink propositions have a strong appeal with Gen Y and Z consumers. STËLZ will remain independent.

On 18 June, we completed the sale of our entire shareholding in Champion Breweries in Nigeria to a local investor, allowing for greater focus on our main business operations in Nigeria.

Other portfolio footprint changes include the disposal of a merchant services company in South Africa and two brands in Slovakia.

BECOME THE BEST-CONNECTED BREWER

Digitise our route-to-consumer

We aim to become the best-connected and most relevant brewer for our customers. We have been stepping up our investments to support and grow our customer's businesses in an increasingly digital route-to-consumer landscape.

We continue to expand our **business-to-business digital (eB2B) platforms.** By the end of the first half of the year we captured €6.1 billion in gross merchandise value, an organic increase of 22% versus last year. We are now connecting almost 650 thousand active customers in fragmented, traditional channels, up 18% versus the same period last year.

As we develop meaningful scale in key markets, we are unlocking incremental value for our customers through our digital ecosystem **eazle**. We are deploying this into more markets and are leveraging efficient data-driven routing to expand our market coverage and built our omnichannel touchpoint strategy to help capture more orders. In indirect markets, providing the orders directly to our distributors and sub-distributors enables greater visibility, better service to our customers and support to our distributors to improve productivity.

Unlocking the value of data

We increasingly leverage data and insights across our business and use a wide range of artificial intelligence (AI) products that drive value for HEINEKEN, from revenue management to commercial mix optimisation, and from efficient transport planning to predictive maintenance in our breweries.

One of these products is AIDDA, our AI application for Data-Driven insights to advise sales teams. Initially developed in Mexico, it identifies changes in customer behaviour and provides specific insights to sales teams, enabling them to respond more quickly to customer needs. During our recent deployment in the UK, we identified a sales uplift of 3% from lower tap churn and missed orders in the pilot group relative to the test group .

Another example is our Connected Brewery programme where we harness the data of 700 production lines and 5,200 pieces of brewery equipment in 88 breweries. By analysing the data generated by brewery equipment, we have been driving productivity through increased output capacity at lower cost. Our breweries now benefit from real-time insights into packaging line performance, via machine learning driven algorithms enabling continuous improvement.

Secure a Digital Backbone (DBB)

As part of our digital transformation, we are modernising and simplifying our back-office processes, data foundation and technology architecture.

Over the past years, we have designed an integrated, yet modular technology architecture solution, our Digital Backbone (DBB). The DBB supports customer-facing solutions, simplified back-office process, data foundation and technology architecture.

This month, we began the implementation in Rwanda, marking the beginning of a multiyear journey. The deployment of the DBB will result in higher productivity once scaled.

FUND THE GROWTH, FUEL THE PROFIT

Our growth algorithm seeks to deliver superior, balanced growth enabled by investments in brand power, innovation, our digital transformation, new capabilities and making our business more sustainable. To fund this, we are structurally driving productivity across all parts of our business.

In the first half of 2024, we delivered more than €300 million of gross savings across variable and fixed expenses, and remain on-track to deliver our €500m ambition for 2024. All regions contributed in a significant way. Over €150 million of gross savings came from close collaboration with strategic suppliers, enabling nearshoring of production facilities and establishing local sourcing solutions, mainly in the Americas.

Operating Profit closed at €1,542 million (2023: €1,611 million), lower than previous year due to higher exceptional net expenses, mainly brewery closures and accounting for hyperinflation. **Operating profit (beia)** increased 12.5% organically with growth delivered in all four regions. Pricing and productivity more than offset inflationary pressures in our cost base and funded incremental investments to support the power of our brands, and the digitalisation and sustainability agendas. Currency translation negatively impacted operating profit by €62 million, mainly driven by the devaluation of currencies in emerging markets, particularly the Nigerian Naira. **Operating profit margin (beia)** increased to 14.0% mainly driven by strong profit growth in the Americas region.

Net profit decreased to a loss of €95 million driven by the impairment of the investment in CR Beer explained below. **Net profit (beia)** increased by 4.4% organically, lower than operating profit (beia) due to higher net financing costs, mainly in Nigeria, and tax expenses, mainly related to Brazil.

As required by IFRS standards (IAS 28 and IAS 36), HEINEKEN has recorded a non-cash impairment related to its investment in CR Beer of €874 million. At the time of acquisition, the CR Beer share price was HKD 35 and after a rally lasting until mid-2023, it declined to HKD 26.25 as of 30 June 2024, possibly reflecting concerns on the macroeconomic environment in China and its impact on consumer demand. The share price trajectory has deviated from the strong operational results of CR Beer. In the period 2019 to 2023, CR Beer's turnover grew by 17% and net profit by 293% as reported under the Hong Kong Financial Reporting Standards per calendar year. The strong operational performance was supported by the growth of the premium portfolio, led by Heineken®, up in volume 4x during that four-year period. The contribution of royalties from CR Beer and CR Beer's share of profits to HEINEKEN for the first six months of 2024 continued to increase, reaching more than 7% of the diluted EPS (beia).

For more details on the exceptional items on operating profit and net profit, please refer to page 14.

RAISE THE BAR ON SUSTAINABILITY AND RESPONSIBILITY

We continue to see progress across our Brew a Better World 2030 strategy focused on three areas: raising the bar on environmental sustainability, accelerating social sustainability and championing responsible consumption.

Environmental: Path to zero impact

In our ambition to achieve net zero carbon in Scope 1 and 2 by 2030, we continued to make progress and have further reduced our emissions in the first half of the year. We opened a large-scale solar thermal plant in Valencia, Spain, featuring advanced Fresnel technology, following last year's opening of Europe's largest industrial solar thermal plant in Seville. In South Africa, we introduced the Star Bottle, a premium returnable packaging that more than doubles the share of returnable bottles in the market's portfolio. This aligns with our circularity strategy to increase reuse and contributes to reducing our Scope 3 carbon emissions.

On our journey towards healthy watersheds and nature, we have further improved our water use efficiency in our breweries and have new water balancing projects in Meoqui, Mexico, and Gitega, Burundi. Three sites in Indonesia are fully water balanced through reforestation, bringing the total number of fully water balanced sites globally to 12.

In June, we announced our first harvest of barley from a large-scale regenerative agriculture project in France. Around 200 member farmers of the Vivescia cooperative in northeastern France, covering approximately 25,000 hectares, have adopted regenerative farming practices focused on carbon reduction and water efficiency, as well as improving soil health, biodiversity and the livelihoods of farmers.

Social: Path to an inclusive, fair and equitable world

We are on track to achieve our target of at least 30% women in senior management roles by 2025 and 40% by 2030, with good progress this year. A key part of our DEI journey is our goal towards equal pay for equal work. Last year, we assessed all our operating companies and established action plans to close any pay gaps, and moving forward we will continue these efforts. Similarly last year we met our goal to pay all our employees a fair wage, and our efforts here continue as well.

We continue to make progress in creating fair living and working standards for our third-party employees. Following the Africa and Asia Pacific region, we have onboarded the Americas region in our Smart Outsourcing programme in 2024. Our aim is to have carried out an initial assessment in all regions by the end of 2025, with actions to close gaps and embed standards running until 2030.

Responsible: Path to moderate and no harmful use

In our ambition to ensure our consumers always have a choice, we launched Sol Zero in Brazil with the campaign theme 'Taste the sun at any time of day and night.' Heineken® 0.0 is now available in 115 markets.

Our goal is for 100% of our markets to have partnerships to reduce harmful alcohol use each year. For example, in South Africa, we are partnering with an NGO on an impactful educational programme to help 5,000 students make responsible drinking choices and promote safety and awareness.

We expanded our activation of the 'Player 0.0' initiative with F1 driver Max Verstappen to over 20 markets, culminating in a global final in Madrid. This initiative is part of Heineken®'s responsible consumption platform 'When You Drive, Never Drink', reaching out to new audiences in the world of virtual racing.

Brew a Better World strategy update and governance

Following the completion of our 2023 goals, we have refined our approach by introducing new goals on carbon and circularity and removing goals that have been largely achieved or no longer require intensive focus. For detailed information, please refer to our Brew a Better World Strategy update.

We are also in preparation for the European Union's Corporate Sustainability Reporting Directive (CSRD), which requires a broad suite of new metrics to be tracked and reported in our Annual Report for 2024.

Outlook Statements

Our EverGreen strategy is a multi-year journey, and we are pleased with the solid progress in the first half of 2024. While several key emerging markets had to navigate a volatile macroeconomic environment, overall, we achieved more balanced, volume- and value-led revenue growth, and good operating leverage. We also continue to deliver against our premiumisation, digital and sustainability ambitions, funded by gross savings and productivity gains.

We continue to expect variable costs to increase organically by a low-single-digit on a per-hectolitre basis. While we expect to benefit from lower commodity and energy prices compared to 2023, this is more than offset by local input cost inflation and currency devaluations, particularly in Africa. We also expect higher than historical average wage inflation.

Across the company, our markets and functions realized more than €300 million of gross savings in the first half. We have clear line of sight on our cost saving initiatives and are therefore confident to achieve our c.€500 million ambition for 2024, ahead of our medium-term commitment of €400 million per year.

We are reinvesting a larger proportion of these savings into marketing and sales. In the second half, we will materially step-up investment in our brands focused on our greatest opportunities for long-term sustainable growth. Notable increases will be in Mexico, Brazil, Vietnam, India, and South Africa.

At the same time, volatility remains a reality. Consumer confidence and economic sentiment in developed markets remain below their historical average. In the Africa & Middle East region there is a risk of material currency devaluation in Ethiopia and hyperinflation in Nigeria and Egypt. We are confident we are able to adapt, yet this continues to bring some short-term uncertainty.

Reflecting our confidence in delivery and commitment to invest behind growth and in future-proofing our business, we update our full year outlook to grow operating profit (beia) organically in the range of 4% to 8%.

For the full year of 2024, we further expect:

- An effective interest rate (beia) of around 3.5% (2023: 3.4%).
- As indicated at our earlier outlook statement, other net finance expenses will increase compared to 2023. This is driven primarily by the impact from significant devaluations and hard currency scarcity in key emerging markets. We made progress in reducing hard currency exposures and are on track with the rights issue in Nigerian Breweries Ltd. If current conditions prevail, we expect more stable other net financing expenses in the second half of the year.
- We have updated our view on the average effective tax rate (beia), and now expect this to land at around 28% (2023: 26.8%), an improvement relative to the previous guidance of 29%, including further insights into Brazil's 2024 tax law changes.

Given the factors above, we revise the expected organic net profit (beia) growth to be more closely in line with the expected operating profit (beia) growth.

Finally, we continue to expect investments in capital expenditure related to property, plant and equipment and intangible assets to be below 9% of net revenue (beia) (2023: 8.8%).

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

Translational Calculated Currency Impact

Based on the impact to date, and applying spot rates of 25 July 2024 to the 2023 financial results as a baseline for the remainder of the year, the calculated negative currency translational impact for the full year would be approximately €1.350 million in net revenue (beia), €170 million at consolidated operating profit (beia), and €30 million at net profit (beia).

Interim Dividend 2024

HEINEKEN's dividends are paid in the form of an interim dividend and a final dividend. The interim dividend is fixed at 40% of the total dividend of the previous year. As a result, an interim dividend of €0.69 per share (2023: €0.69) will be paid on 8 August 2024. The shares will trade ex-dividend on 31 July 2024.

Regional Overview

Net revenue (beia)

(in € million)	HY23	**HY24**	Organic growth
Heineken N.V.	14,514	**14,814**	6.0%
Africa & Middle East	1,968	**1,919**	27.5%
Americas	4,893	**5,247**	4.1%
Asia Pacific	2,019	**2,100**	7.9%
Europe	6,037	**5,911**	-1.1%
Head Office & Eliminations	-403	**-363**	

Operating profit (beia)

(in € million)	HY23	**HY24**	Organic growth
Heineken N.V.	1,939	**2,079**	12.5%
Africa & Middle East	222	**169**	21.2%
Americas	603	**854**	37.2%
Asia Pacific	400	**409**	6.8%
Europe	621	**614**	0.2%
Head Office & Eliminations	93	**34**	

Developing markets HY24

(in mhl or € million unless otherwise stated)	Group beer volume	Group net revenue (beia)	Group operating profit (beia)[1]
Developing markets in:	88.6	8,583	1,405
Africa & Middle East	15.2		
Americas	38.0		
Asia Pacific	33.7		
Europe	1.7		
% of Group	64%	53%	63%

[1] Excludes Head Office & Eliminations

Africa & Middle East (AME)

Key financials

(in mhl or € million unless otherwise stated)	HY23	**HY24**	Total growth	Organic growth
Net revenue (beia)	1,968	**1,919**	-2.5%	27.5%
Operating profit (beia)	222	**169**	-24.1%	21.2%
Operating profit (beia) margin	11.3%	**8.8%**	-250 bps	
Total consolidated volume	24.2	**22.4**	-7.6%	3.0%
Beer volume	18.6	**14.5**	-22.0%	1.5%
Non-Beer volume	5.6	**7.8**	39.1%	7.5%
Third party products volume	—	**0.1**	126.9%	56.9%
Licensed beer volume	*1.2*	*0.7*		
Group beer volume	*19.9*	*15.4*		

Africa's growing, young population and urbanisation trends present an attractive long-term opportunity. At the same time, political and macroeconomic volatility remains a reality, requiring our businesses to ensure operational resilience and focus on sustainable, profitable growth. We are proud of the volume growth achieved under challenging conditions and landing the pricing required to offset inflation and currency devaluations. Specific focus is on preparing for recapitalising Nigerian Breweries Ltd to set it up for sustained future growth. We made further progress towards creating a Southern African beverage champion following the acquisition of Distell and Namibia Breweries in 2023.

Beer volume increased 1.5% organically led by strong growth in Nigeria despite challenging conditions, helped by a soft prior year. This was partially offset by volume declines in Ethiopia and Burundi. The premium portfolio grew similarly, led by Nigeria, Heineken Beverages and Egypt.

Reported **net revenue** declined 2.5%. **Net revenue (beia)** grew 27.5% organically, with total consolidated volume up 3.0% and net revenue (beia) per hectolitre up 24.0% organically. Price-mix was up 23.8% on a constant geographic basis, mainly from pricing for currency devaluation and inflation in several markets, most notably Nigeria. Currency translation negatively impacted net revenue by €728 million, mainly from the Nigerian Naira. Consolidation changes positively impacted net revenue by €137 million due to the integration of Distell, partially offset by our exit from Russia.

Operating profit (beia) increased organically by 21.2%, as pricing, volume growth and productivity more than offset the impact from inflation and transactional currency effects. Currency translation negatively impacted by €74 million, mainly from the Nigerian Naira. Consolidation changes had a negative impact of €27 million. Operating profit margin declined by 250 bps, driven by the inflationary characteristic of the organic performance and consolidation impacts.

In **Nigeria,** net revenue grew organically more than 70%, with steep pricing to mitigate the impact of inflation and Naira devaluation; the reported revenue was down 38%. Total volume was up in the low-teens, cycling the prior year disruption to the supply of banknotes. The difficult economic conditions impact consumer disposable income. Despite these challenges, the premium portfolio grew more than 10%, led by Desperados and Tiger. Our non-alcoholic portfolio grew by a high-single-digit, led by Hi-Malt, Fayrouz and Maltina. Nigerian Breweries is preparing for a rights issue and is expecting to complete the transaction this year. HEINEKEN will take up its rights in full in the recapitalisation.

In **South Africa**, we achieved the first-year milestone integrating the Distell business. The combination enables a competitive, multi-category business model to capture future growth. Revenue[1] grew by a low-single-digit, driven by pricing. Our spirits, wine, cider, and ready-to-drink portfolios outperformed the market in their respective categories. In the beer segment, we introduced the returnable glass bottle of Heineken® at the end of the first quarter, providing a more affordable, yet cost effective consumer proposition.

In **Ethiopia,** net revenue (beia) grew in the mid-teens as inflation-led pricing more than offset a volume decline. Beer volume was down by a high-single-digit due to continued civil instability in key regions of the market. Consumer purchasing power remains under pressure from the effects of hyperinflation.

Among other markets in the region, **Egypt** posted net revenue growth in the forties, growing volume in the mid-teens as tourism recovered and with good performance of Fayrouz in our non-alcoholic portfolio. Pricing was taken to offset the impact of inflation and the devaluation of the Egyptian Pound. In the **Democratic Republic of Congo (DRC)** volume grew ahead of the market, led by Heineken®, up by close to 60%. In **Burundi,** our operation has been affected by the scarcity of hard currency and fuel shortages and our volume declined in the low-teens.

[1] Revenue indicated for South Africa considers the acquired business of Distell as from the start of 2023.

Americas

Key financials

(in mhl or € million unless otherwise stated)	HY23	**HY24**	Total growth	Organic growth
Net revenue (beia)	4,893	**5,247**	7.2%	4.1%
Operating profit (beia)	603	**854**	41.6%	37.2%
Operating profit (beia) margin	12.3%	**16.3%**	395 bps	
Total consolidated volume	43.2	**43.6**	1.0%	0.8%
Beer volume	42.2	**42.7**	1.3%	1.1%
Non-Beer volume	0.9	**0.8**	-15.6%	-15.6%
Third party products volume	0.1	**0.1**	56.8%	56.8%
Licensed beer volume	*1.6*	*1.5*		
Group beer volume	*47.6*	*47.5*		

The **Americas** represents the most valuable region in the global beer market, and we aim to capture a larger share of this profit pool. We are very encouraged by our momentum, driven by our premium and upper mainstream brand offerings, led by the Heineken® brand. We made important strides in our route-to-consumer through digitisation across Latin America and retail expansion in Mexico, as well as in our cost and productivity initiatives to boost profitability.

Beer volume was up 1.1% organically, led by Brazil, Mexico and Panama, partially offset by a decline in Haiti. The premium portfolio grew by a mid-single-digit, led by Heineken® in Brazil. The LONO portfolio was also up by a mid-single-digit, led by Heineken® 0.0.

Net revenue (beia) increased 4.1% organically, with total consolidated volume up by 0.8% and net revenue (beia) per hectolitre growth of 3.3%. Price-mix was up 3.8% on a constant geographic basis, mainly from pricing and portfolio mix. Currency translation positively impacted net revenue by €156 million, mainly driven by the Mexican Peso.

Operating profit (beia) grew 37.2% organically, driven by the top-line growth and a significant improvement in variable expenses, benefiting from near-shoring initiatives, lower transportation and commodity costs and favourable transactional currency effects relative to 2023. Currency translation positively impacted operating profit (beia) by €30 million. Operating profit (beia) margin improved by 395 bps, driven by Brazil, HUSA and Mexico.

In **Mexico,** net revenue increased organically by a mid-single-digit, driven by volume growth and revenue management initiatives. The volume growth was led by our core portfolio brands Dos Equis, our affordable premium proposition, and Indio in the mainstream segment. Heineken® 0.0 grew volume by a mid-single-digit and remains the #1 non-alcoholic brand in the market. Our SIX stores continued to expand, closing the first half of the year with more than 17k stores. Our eB2B platform is now connecting 150 thousand active customers, an increase of 13% over last year.

In **Brazil,** net revenue grew organically by a high-single-digit, driven by pricing, premiumisation and low-single-digit volume growth. Our premium beer portfolio grew volume in the low-teens, driven by the continued strong momentum of Heineken®, further strengthening our leadership position in the premium segment. Our mainstream beer portfolio volume declined slightly, as growth in the low-teens of Amstel, the #1 brand in the pure malt mainstream segment, was offset by lower volume of Devassa. Our economy beer portfolio declined in the mid-teens, driven by intensified price competition in the segment. Our eB2B platform now connects more than 209 thousand active customers, an increase of 39% versus last year.

In the **USA**, HEINEKEN USA net revenue declined by a low-single-digit organically, driven by lower shipments to wholesalers. Depletions declined by a low-single-digit, outperforming the market for the first half, driven by the performance of both Heineken® and Dos Equis. Heineken®'s brand power continues to improve, supported by Heineken® Silver. Heineken® 0.0 grew depletions by a mid-single-digit, recording its 19th consecutive quarter of uninterrupted growth. Dos Equis continued its positive momentum across the Sun Belt and is the #1 in draught in Texas.

Among the other markets in the region, in **Panama** we continued to outperform the market and grew organically volume, revenue and operating profit in the double-digits. In **Haiti**, our volume declined in the thirties as challenging security conditions continue; we maintain business continuity and prioritise the safety of our people.

Asia Pacific

Key financials

(in mhl or € million unless otherwise stated)	HY23	**HY24**	Total growth	Organic growth
Net revenue (beia)	2,019	**2,100**	4.0%	7.9%
Operating profit (beia)	400	**409**	2.2%	6.8%
Operating profit (beia) margin	19.8%	**19.5%**	-34 bps	
Total consolidated volume	21.8	**23.4**	7.4%	6.5%
Beer volume	21.3	**23.0**	7.8%	6.9%
Non-Beer volume	0.4	**0.3**	-13.3%	-13.6%
Third party products volume	0.1	**0.1**	-14.7%	-14.7%
Licensed beer volume	*2.8*	*3.4*		
Group beer volume	*33.8*	*35.8*		

Our footprint across **Asia Pacific** offers significant potential from a growing middle class, urbanization, and at present low per capita beer consumption. We are well-positioned to gain a larger, profitable share of the region given its growth prospects even if short-term growth challenges remain, especially in our largest and most profitable market, Vietnam. As leading brewer in India, we are shaping the future of the beer category. Our joint-venture partner in China is our 2nd market for the Heineken® brand and is a meaningful contributor to HEINEKEN's net profit growth.

Beer volume increased 6.9% organically, led by our momentum in India and benefitting from destocking effects in Vietnam during the first quarter of last year. The consolidated premium beer volume grew by close to 10%, driven by Vietnam, India, Laos and Singapore.

Net revenue (beia) increased 7.9% organically as total volume was up by 6.5% and net revenue (beia) per hectolitre increased by 1.8%. The price-mix was up 1.0% on a constant geographic basis. Currency translation negatively impacted net revenue by €91 million, mainly from Vietnam.

Operating profit (beia) increased 6.8% organically, driven by the top-line recovery. Negative currency movements impacted operating profit by €22 million. Operating profit (beia) margin declined by 34 bps driven by Vietnam.

In **Vietnam,** we estimate the beer market declined by a low-single-digit during the first half, with signs of stabilisation in the second quarter. Our net revenue increased organically in the low-teens, driven by high-single-digit volume growth, benefiting from cycling our destocking last year. The premium segment and the on-trade continue to be impacted disproportionately relative to the rest of the market, given the continued stricter enforcement of Decree 100. In response, we are adjusting our portfolio and channel priorities accordingly and focus on restoring competitiveness. The Heineken® brand grew volumes in the sixties, led by Heineken® Silver which recorded it's 11th consecutive quarter of growth and supporting our stable share in the premium segment. On the rest of the portfolio, brands Bia Viet and Bivina also grew by double-digits, as we continue to strengthen our mainstream portfolio and expand into regions outside of our strongholds.

In **India**, net revenue grew in the low-teens, as our volume momentum continues, up by a high-single-digit, in line with the market, and positive price mix. Volume growth was held back by operating restrictions during the elections in the peak season of the second quarter. We remain optimistic about our momentum, and our premium portfolio grew in the thirties, gaining share in the segment, led by Kingfisher Ultra and Ultra Max. We expanded Queenfisher, our premium lager that celebrates sisterhood and inclusivity, to Maharashtra, Assam and Meghalaya.

In **China,** Heineken® continued its strong growth trajectory in the premium segment. Volume was up more than 25%, driven by the strong momentum of both Heineken® Original and Heineken® Silver, the latter growing close to fifty percent.

In other markets across Southeast Asia, in **Cambodia** volume was down by a high-single-digit as the consumer environment remains soft. In **Indonesia,** volume declined by a high-single-digit, following an increase in excise duties as of 1 January 2024 and the delisting of some pack types. Our flavoured alcoholic beer portfolio grew volume double digits, with good results from Bintang Radler and the strong growth of fruity-taste Bintang Anggur Merah. In **Malaysia,** beer volume grew by a low-single-digit. Our premium portfolio outperformed, led by the continued growth of Heineken®. In **Laos**, beer volume grew close to 70%, led by Heineken®.

Europe

Key financials

(in mhl or € million unless otherwise stated)	HY23	**HY24**	Total growth	Organic growth
Net revenue (beia)	6,037	**5,911**	-2.1%	-1.1%
Operating profit (beia)	621	**614**	-1.2%	0.2%
Operating profit (beia) margin	10.3%	**10.4%**	9 bps	
Total consolidated volume	45.9	**44.1**	-3.9%	-0.5%
Beer volume	38.0	**38.0**	0.1%	0.6%
Non-Beer volume	4.2	**2.5**	-40.0%	-1.8%
Third party products volume	3.6	**3.5**	-4.1%	-10.4%
Licensed beer volume	*0.3*	*0.3*		
Group beer volume	*39.5*	*39.5*		

In **Europe**, beer is the leading alcoholic beverage and we are leveraging our leadership position to shape the future of the category. After a period of high inflation and corresponding market pricing, we are focused on rebalancing our growth. We invest in the category and in our market strength to win in premium and core beer while expanding innovation for new occasions, led by Heineken® 0.0. Our supply chain network optimization is delivering productivity savings, enabling investments behind our EverGreen priorities, including digitising our route-to-consumer and supporting our path to net zero carbon impact, for instance our new large-scale solar thermal plant in Spain.

Beer volume increased organically by 0.6% as we gained share in the majority of our markets. In the second quarter, beer volume was broadly stable, as solid growth up to May was offset by adverse weather in June. The premium portfolio outperformed the wider portfolio in the majority of our markets, led by Heineken® and our Next Generation brands, including Birra Moretti, Gallia, El Aguila, Messina and Texels. The non-alcoholic beer and cider portfolio grew by a high-single-digit, led by Heineken® 0.0. The off-trade grew faster, up by a low-single-digit, while the on-trade declined by a low-single-digit.

Net revenue (beia) declined 1.1% organically, in part from lower intercompany exports with total consolidated volume down 0.5%. Net revenue (beia) per hectolitre was stable. Price-mix on a constant geographic basis grew by 0.7%, as moderate pricing was offset by an adverse channel mix and a step up in promotional activities in a more competitive market.

Operating profit (beia) increased by 0.2% organically, as lower variable costs as well as productivity savings were fully reinvested for growth and competitiveness. Operating profit (beia) margin increased slightly by 9 bps.

In the **UK,** volume grew ahead of the market. The premium portfolio outperformed, led by Birra Moretti and Beavertown. Cruzcampo, our authentic Spanish lager from Seville, became the largest industry launch in the off-trade in more than a decade across beers, wines and spirits.

In **France,** beer volume was down by a low-single-digit, in line with the market. Our premium portfolio outperformed, driven by Desperados, Gallia and Pélican.

In **Spain,** beer volume declined by a low-single-digit, in line with the market. Our premium portfolio outperformed, driven by El Águila, up in the low-teens. In May we launched El Águila Sin Filtrar 0.0 to further expand and premiumise our non-alcoholic portfolio.

In **Italy,** beer volume was down by a low-single-digit. Our mainstream portfolio was broadly stable, supported by the growth of Birra Moretti. Our premium portfolio welcomed the introduction of Birra Messina Vivace, a fine taste lager embellished with light citrus notes of Sicilian lemons.

In **Poland,** beer volume declined by a mid-single-digit. Our iconic mainstream brand Żywiec saw stable volume as it continued to grow in brand power. The premium portfolio outperformed, led by the growth of Heineken® across all channels and the continued momentum of Żywiec 0.0 flavours.

In the **Netherlands,** beer volume was down by a low-single-digit, performing better than the industry. Our premium portfolio was led by the strong growth of Texels, up more than 20%. Our non-alcoholic beer portfolio outperformed in the segment.

In other markets across Europe, volume was up in aggregate by a low-single-digit mainly driven by markets in Eastern Europe, particularly **Bulgaria**, **Greece**, and **Hungary**, up by double digits and **Serbia** and **Slovakia**, up by a high-single-digit.

Interim Financial Review

Key figures[1]

(in € million unless otherwise stated)	HY 2023 Reported	HY 2023 Eia	HY 2023 Beia	HY 2024 Reported	Total growth %	Eia	Beia	Currency translation	Consolidation impact	Organic growth	Organic growth %
Revenue	17,436	-13	17,423	**17,823**	**2.2%**	**-11**	**17,812**	**-672**	**34**	**1,027**	**5.9%**
Excise tax expense	-2,912	3	-2,909	-2,999	-3.0%	1	-2,998	46	17	-152	-5.2%
Net revenue	14,524	-11	14,514	**14,824**	**2.1%**	**-10**	**14,814**	**-625**	**51**	**874**	**6.0%**
Marketing and selling expenses	-1,457	0	-1,457	-1,469	-0.8%	0	-1,469	45	-2	-55	-3.8%
Personnel expenses	-2,110	46	-2,064	-2,267	-7.4%	32	-2,235	36	-39	-168	-8.1%
Amortisation, depreciation and impairments	-1,244	350	-895	-1,367	-9.9%	437	-930	30	-19	-47	-5.2%
Other net (expenses)/income	-8,102	-56	-8,159	-8,179	-1.0%	78	-8,101	452	-31	-363	-4.4%
Total net other (expenses)/income	-12,913	339	-12,575	-13,282	-2.9%	547	-12,735	563	-91	-633	-5.0%
Operating profit	1,611	328	1,939	**1,542**	**-4.3%**	**537**	**2,079**	**-62**	**-40**	**242**	**12.5%**
Interest income	46	0	46	47	2.2%	0	47	-3	0	3	7.5%
Interest expense	-295	-6	-301	-342	-15.9%	11	-331	53	-8	-75	-25.0%
Net interest income/(expenses)	-249	-6	-255	-295	-18.5%	11	-284	51	-8	-72	-28.2%
Other net finance income/(expenses)	-186	86	-100	-142	23.7%	-39	-180	77	4	-161	-161.6%
Share of profit of associates and joint ventures	100	20	120	-766	-866.0%	900	134	-2	3	12	10.1%
Income tax expense	-89	-356	-444	-387	-334.8%	-77	-465	-15	12	-17	-3.9%
Non-controlling interests	-31	-79	-110	-47	-51.6%	-33	-80	-16	0	47	42.6%
Net profit	1,156	-6	1,150	**-95**	**-108.2%**	**1,299**	**1,204**	**33**	**-29**	**50**	**4.4%**
EBITDA[2]	2,955	-1	2,954	**2,142**	**-27.5%**	**1,001**	**3,143**				
Effective tax rate[3]	7.6%		28.0%	**35.0%**			**28.8%**				

[1] This table will not always cast due to rounding. This table contains a reconciliation between IFRS reported and certain Non-GAAP measures. Please refer to page 32 for an explanation of the use of Non-GAAP measures.
[2] EBITDA is calculated as earnings before interest, taxes, net finance expenses, depreciation, amortisation and impairment. EBITDA includes HEINEKEN's share in net profit of joint ventures and associates.
[3] Income tax expense expressed as a percentage of the profit before income tax, adjusted for share of profit of associates and joint ventures.

Main changes in consolidation

On 1 February 2023, HEINEKEN acquired a majority stake in Davidov Hram, a wholesale business in Slovenia.

On 14 April 2023, HEINEKEN obtained control of NBL and on 26 April 2023, of Distell. NBL and Distell have been combined with Heineken South Africa into a new HEINEKEN majority-owned business 'Heineken Beverages'. Distell and NBL are consolidated within HEINEKEN as from those dates.

On 1 June 2023, HEINEKEN disposed of its license to brew a brand in the UK.

On 25 August 2023, HEINEKEN announced it completed its exit from Russia.

On 29 September 2023, HEINEKEN completed the sale of soft-drink producer Vrumona in the Netherlands.

On 1 October 2023, HEINEKEN began consolidating Comans Beverages Limited, a beverage wholesale business in Ireland.

Other changes in consolidation in the first half 2024 include the sale of our entire shareholding in Champion Breweries in Nigeria, the disposal of a merchant services company in South Africa and two brands in Slovakia.

HEINEKEN applies hyperinflation accounting in Ethiopia and Haiti. Fixed assets are revalued for the inflation from the time of acquisition to date. The prior year impact from depreciation resulting from the revaluation of previous years is recorded as a change in consolidation and is excluded from the organic growth calculation. At the same time, all metrics in the income statement are restated to reflect the inflation level as per the reporting date. These impacts are recorded as exceptional items.

Revenue

Revenue increased by 2.2% to €17,823 million (2023: €17,436 million). **Revenue (beia)** increased 5.9% organically to €17,812 million (2023: €17,423 million). Exceptional items in revenue amounted to €11 million (2023: €13 million), mainly related to hyperinflation accounting adjustments in Ethiopia and Haiti.

Net revenue increased by 2.1% to €14,824 million (2023: €14,524 million). **Net revenue (beia)** increased by 6.0% organically to €14,814 million (2023: €14,514 million), mainly driven by the growth of our largest operating companies in Nigeria, Mexico, Brazil, Vietnam and India. Total consolidated volume increased 1.7% and net revenue (beia) per hectolitre was up 4.3% with a positive contribution from all regions, most notably in Africa & Middle East. The underlying price-mix on a constant geographic basis was up 4.9%. Currency translation reduced net revenue (beia) by €625 million or 4.3%, mainly driven by the 48% devaluation of the Nigerian naira versus the euro. Consolidation changes had a positive impact to net revenue (beia) of €51 million, the net result of the Distell and Namibia Breweries acquisitions, the sale of Vrumona in the Netherlands and our exit from Russia.

Total net other expenses

Total net other expenses increased by 2.9% to €13,282 million (2023: €12,913 million). **Total net other expenses (beia)** increased 5.0% organically, driven by inflationary pressures on our cost base, especially on raw materials, and incremental investments behind our brands, capabilities, digitalisation and sustainability agenda; partially offset by cost savings from our productivity programme.

Variable costs (beia), including raw materials, non-returnable packaging materials, transportation and energy & water costs in aggregate increased organically by a low-single-digit on a per hectolitre basis. Lower costs per hectolitre in the Americas and Europe were more than offset by a double-digit increase in AME.

Marketing and selling expenses increased by 0.8% to €1,469 million (2023: €1,457 million). **Marketing and selling expenses (beia)** increased organically by €55 million or 3.8%. The increase is due to higher advertising spend, particularly in AME and the Americas. The investment represented 9.9% of net revenue (beia) (2023: 10.0%).

Personnel expenses increased by 7.4% to €2,267 million (2023: €2,110 million), as higher wage inflation and performance related accruals versus last year more than offset the gains in productivity and workforce reduction.

Depreciation & amortisation expenses increased by 9.9% to €1,367 million (2023: €1,244 million) mainly driven by write-offs related to brewery closures. **Depreciation & amortisation expenses (beia)** increased 5.2% organically mainly driven by the higher investment in property, plant and equipment last year.

Operating profit

Operating profit decreased by 4.3% to €1,542 million (2023: €1,611 million), lower than previous year due to higher exceptional net expenses, mainly brewery closures and accounting for hyperinflation. **Operating profit (beia)** increased 12.5% organically with growth delivered in all four regions. Pricing and productivity more than offset inflationary pressures in our cost base and funded incremental investments to support the power of our brands, and the digitalisation and sustainability agendas. Currency translation negatively impacted operating profit by €62 million, mainly driven by the devaluation of currencies in emerging markets, particularly the Nigerian Naira. **Operating profit margin (beia)** increased to 14.0% mainly driven by strong profit growth in the Americas region.

Net finance expenses

Net interest expenses increased by 18.5% to €295 million (2023: €249 million). **Net interest expenses (beia)** increased organically by 28.2% to €284 million. The increase reflects a higher average net debt position and a higher average effective interest rate. The average effective interest rate (beia) in the first half of 2024 was 3.5% (HY 2023: 3.2%).

Other net finance expenses decreased by 23.7% to €142 million (2023: €186 million). **Other net finance expenses (beia)** increased organically by 161.6% to €180 million (2023: €100 million), mainly driven by negative impacts from currency revaluations on outstanding foreign currency payables.

Share of net profit of associates and joint ventures

The **share of profit of associates and joint ventures** decreased to a loss of €766 million (2023: €100 million profit) and includes the attributable profit from China Resources Beer (Holdings) Co. Ltd. (CR Beer) with a two month delay (November 2023 to April 2024) and the impairment of €874 million referred to in page 5 to HEINEKEN's investment in CR Beer. The increased share of profit of associates and joint ventures (beia) was mainly driven by the strong profit growth of our associate partner in Costa Rica.

Income tax expense

Total income tax expense increased by 334.8% to €387 million (2023: €89 million). The increase is mainly driven by a significant one-off benefit included last year from the recognition of deferred tax assets in Brazil, classified as an exceptional item. **The effective tax rate (beia)** was 28.8% (2023: 28.0%). The increase was mainly driven by changes in the profit mix and the tax law changes in Brazil.

Net profit (loss)

The **net loss** amounted to €95 million (2023: €1,156 million profit), mainly driven by the impairment of the investment in CR Beer explained below.

Net profit (beia) increased by 4.4% organically to €1,204 million. The growth in operating profit (beia) was partially offset by higher net financing and tax expenses.

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

Exceptional items are defined as items of income and expense of such size, nature or incidence that, in the view of management, their disclosure is relevant to explain the performance of HEINEKEN for the period. Exceptional items include, amongst others, impairments (and reversal of impairments) of goodwill and fixed assets, gains and losses from acquisitions and disposals, redundancy costs following a restructuring, past service costs and curtailments, hyperinflation accounting adjustments, the tax impact on exceptional items and tax rate changes (the one-off impact on deferred tax positions).

The impact of eia on net profit amounted to a net expense of €1,299 million (2023: €6 million net benefit), of which €874 million related to the impairment of the investment in CR Beer. On operating profit, the impact of eia amounted to a net expense of €537 million (2023: €328 million).

Amortisation of acquisition-related intangibles recorded in operating profit amounted to €171 million (2023: €156 million). Exceptional net expenses in operating profit amounted to €366 million (2023: €172 million), of which:

- €21 million of exceptional net expense relating to hyperinflation accounting adjustment (2023: €25 million)
- Net restructuring expenses of €28 million (2023: €39 million)
- Net impairments of €176 million, of which €158 million relate to Haiti (2023: net impairment of €175 million of which €113 million related to Russia)
- €141 million of other exceptional net expenses (2023: €29 million net benefit) mainly related to closure and disposal of breweries
- Nil tax credits recorded in Brazil (2023: €38 million net benefit)

Please refer to page 28 for a description of the exceptional items and amortisation of acquisition-related intangibles below operating profit.

Capital expenditure and cash flow

Capital expenditure related to property, plant and equipment and intangible assets **(Capex)** amounted to €1,302 million (2023: €1,468 million), representing 8.8% of net revenue (beia). Main investments in the first half of this year include returnable packaging materials across several markets, capacity extensions in Brazil and a can factory in Mexico.

Changes in working capital had a negative impact on free operating cash flow of €252 million (2023: €1,010 million negative) with the improvement compared to last year driven by a lower increase of inventories and trade receivables.

Free operating cash flow was positive by €655 million (2023: €467 million negative) driven by the improvement in working capital and the reduction in capital expenditures.

Financial structure

Total borrowings amounted to €18,497 million (31 December 2023: €18,238 million). Given the seasonality of our business **net debt** increased slightly to €16,174 million (31 December 2023: €15,835 million) as the cash outflow for dividends and the negative foreign currency impact on net debt, exceeded the free operating cash flow.

Including the effect of cross-currency swaps, 74% of net debt is Euro-denominated and 13% is US dollar and US dollar proxy currencies.

The **pro-forma 12-month rolling net debt/EBITDA (beia) ratio** was 2.4x on 30 June 2024 (31 December 2023: 2.4x), in line with the Company's long-term target net debt/EBITDA (beia) ratio of below 2.5x.

The centrally available financing headroom at Group level was approximately €2.7 billion at 30 June 2024 (31 December 2023: €3.2 billion) and consisted of the undrawn part of the committed €3.5 billion revolving credit facility and centrally available cash minus centrally issued commercial paper and short-term bank borrowings at Group level.

Average number of shares

HEINEKEN has 576,002,613 shares in issue as of 30 June 2024. In the calculation of **basic EPS**, the weighted effect of own shares held in treasury (10,631,743 shares) and of the shares held by Heineken Holding N.V. (5,156,781 shares) for which it has waived its dividend rights, have been excluded. As a result, the weighted average basic number of shares outstanding in the first half of 2024 was 560,214,089 (30 June 2023: 566,680,187).

In the calculation of **diluted EPS (beia)**, shares to be delivered under the employee incentive programme (232,678 shares) are added to the weighted average shares outstanding. The weighted average diluted number of shares outstanding in the first half of 2024 was 560,446,767 (30 June 2023: 566,900,136).

Main risks

The Annual Report 2023 outlines HEINEKEN's main risks and mitigation activities at the time of closing the 2023 financial year. For a detailed description of HEINEKEN's risks and risk control systems, please refer to pages 35 to 40 of the Annual Report 2023.

The continued exposure to risks related to supply chain continuity, cyber security incidents, market volatility, regulatory changes, climate change impact, foreign exchange rates, commodity prices and macro-economic downturn in general can adversely impact HEINEKEN's results. There may also be risks the Company is not aware of or currently deems immaterial but which could, at a later stage, have a material impact on the Company's business. As new risks emerge and existing immaterial risks evolve, they will be assessed and managed in a timely manner.

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

Interim Consolidated Metrics: Half Year 2024

In mhl or €million unless otherwise stated & consolidated figures unless otherwise stated	HY23	Currency translation	Consolidation impact	Organic growth	**HY24**	Organic growth
Africa & Middle East						
Net revenue (beia)	1,968	-728	137	542	**1,919**	27.5%
Operating profit (beia)	222	-74	-27	47	**169**	21.2%
Operating profit (beia) margin	11.3%				**8.8%**	
Total consolidated volume	24.2		-2.6	0.7	**22.4**	3.0%
Beer volume	18.6		-4.4	0.3	**14.5**	1.5%
Non-beer volume	5.6		1.8	0.4	**7.8**	7.5%
Third party products volume	—		—	—	**0.1**	56.9%
Licensed beer volume	*1.2*				*0.7*	
Group beer volume	*19.9*				*15.4*	
Americas						
Net revenue (beia)	4,893	156	—	198	**5,247**	4.1%
Operating profit (beia)	603	30	-4	224	**854**	37.2%
Operating profit (beia) margin	12.3%				**16.3%**	
Total consolidated volume	43.2		0.1	0.4	**43.6**	0.8%
Beer volume	42.2		0.1	0.5	**42.7**	1.1%
Non-beer volume	0.9		—	-0.1	**0.8**	-15.6%
Third party products volume	0.1		—	—	**0.1**	56.8%
Licensed beer volume	*1.6*				*1.5*	
Group beer volume	*47.6*				*47.5*	
Asia Pacific						
Net revenue (beia)	2,019	-91	12	160	**2,100**	7.9%
Operating profit (beia)	400	-22	3	27	**409**	6.8%
Operating profit (beia) margin	19.8%				**19.5%**	
Total consolidated volume	21.8		0.2	1.4	**23.4**	6.5%
Beer volume	21.3		0.2	1.5	**23.0**	6.9%
Non-beer volume	0.4		—	-0.1	**0.3**	-13.6%
Third party products volume	0.1		—	—	**0.1**	-14.7%
Licensed beer volume	*2.8*				*3.4*	
Group beer volume	*33.8*				*35.8*	
Europe						
Net revenue (beia)	6,037	37	-98	-65	**5,911**	-1.1%
Operating profit (beia)	621	4	-12	1	**614**	0.2%
Operating profit (beia) margin	10.3%				**10.4%**	
Total consolidated volume	45.9		-1.6	-0.2	**44.1**	-0.5%
Beer volume	38.0		-0.2	0.2	**38.0**	0.6%
Non-beer volume	4.2		-1.6	-0.1	**2.5**	-1.8%
Third party products volume	3.6		0.2	-0.4	**3.5**	-10.4%
Licensed beer volume	*0.3*				*0.3*	
Group beer volume	*39.5*				*39.5*	
Head Office & Eliminations						
Net revenue (beia)	-403	—	—	40	**-363**	n.a.
Operating profit (beia)	93	—	—	-59	**34**	n.a.
Heineken N.V.						
Net revenue (beia)	14,514	-625	51	875	**14,814**	6.0%
Total expenses (beia)	-12,575	563	-91	-633	**-12,735**	-5.0%
Operating profit (beia)	1,939	-62	-40	242	**2,079**	12.5%
Operating profit (beia) margin	13.4%				**14.0%**	
Share of net profit of associates /JVs (beia)	120	-2	3	12	**134**	10.1%
Net Interest income / (expenses) (beia)	-255	51	-8	-72	**-284**	-28.2%
Other net finance income / (expenses) (beia)	-100	77	4	-161	**-180**	-161.6%
Income tax expense (beia)	-444	-15	12	-17	**-465**	-3.9%
Non-controlling Interests	-110	-16	—	47	**-80**	42.6%
Net profit (beia)	1,150	33	-29	50	**1,204**	4.4%
Total consolidated volume	135.0		-3.9	2.3	**133.4**	1.7%
Beer volume	120.1		-4.3	2.5	**118.2**	2.1%
Non-beer volume	11.2		0.2	0.1	**11.5**	1.3%
Third party products volume	3.8		0.3	-0.3	**3.7**	-8.7%
Licensed beer volume	*5.8*				*5.9*	
Group beer volume	*140.9*				*138.1*	

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

Second Quarter 2024 Metrics

In mhl unless otherwise stated & consolidated figures unless otherwise stated	2Q23	Currency translation	Consolidation impact	Organic growth	**2Q24**	Organic growth
Africa & Middle East						
Net revenue (beia)	1,093	-347	-45	253	**954**	23.2%
Total consolidated volume	13.1		-2.3	0.1	**10.9**	0.8%
Beer volume	9.6		-2.5	—	**7.0**	-0.4%
Non-beer volume	3.5		0.2	0.1	**3.8**	3.8%
Third party products volume	—		—	—	**—**	—
Licensed beer volume	*0.6*				*0.3*	
Group beer volume	*10.3*				*7.5*	
Americas						
Net revenue (beia)	2,595	40	—	48	**2,682**	1.8%
Total consolidated volume	22.3		—	-0.6	**21.8**	-2.6%
Beer volume	21.8		—	-0.5	**21.3**	-2.5%
Non-beer volume	0.5		—	-0.1	**0.4**	-12.7%
Third party products volume	—		—	—	**—**	—
Licensed beer volume	*0.8*				*0.7*	
Group beer volume	*24.4*				*23.3*	
Asia Pacific						
Net revenue (beia)	1,042	-41	1	49	**1,052**	4.7%
Total consolidated volume	11.3		0.1	0.5	**11.8**	4.2%
Beer volume	11.0		0.1	0.5	**11.7**	4.6%
Non-beer volume	0.2		—	—	**0.1**	-19.7%
Third party products volume	—		—	—	**—**	—
Licensed beer volume	*1.5*				*1.7*	
Group beer volume	*17.9*				*18.4*	
Europe						
Net revenue (beia)	3,591	16	-69	-75	**3,463**	-2.1%
Total consolidated volume	27.3		-0.9	-0.3	**26.2**	-1.1%
Beer volume	22.8		-0.1	0.0	**22.8**	0.0%
Non-beer volume	2.5		-0.9	—	**1.5**	-1.9%
Third party products volume	2.0		0.1	-0.2	**1.9**	-12.2%
Licensed beer volume	*0.2*				*0.2*	
Group beer volume	*23.7*				*23.6*	
Heineken N.V.						
Net revenue (beia)	8,136	-332	-113	275	**7,967**	3.4%
Total consolidated volume	74.0		-3.0	-0.3	**70.7**	-0.4%
Beer volume	65.3		-2.4	-0.1	**62.8**	-0.1%
Non-beer volume	6.6		-0.7	—	**5.9**	-0.2%
Third party products volume	2.1		0.1	-0.2	**2.0**	-10.8%
Licensed beer volume	*3.1*				*2.9*	
Group beer volume	*76.3*				*72.9*	

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

Enquiries

Media

Joris Evers

Director of Global Communication

E-mail: pressoffice@heineken.com

Tel: +31-20-5239355

Investors

Tristan van Strien

Director of Investor Relations

Mark Matthews / Chris Steyn

Investor Relations Manager / Senior Analyst

E-mail: investors@heineken.com

Tel: +31-20-5239590

Investor Calendar Heineken N.V.

Trading Update for Q3 2024	23 October 2024
Full Year 2024 Results	12 February 2025

Conference Call Details

HEINEKEN will host an analyst and investor conference call in relation to its 2024 Half Year results today at 14:00 CET/ 13:00 BST. The call will be audio cast live via the company's website: www.theheinekencompany.com. An audio replay service will also be made available after the conference call at the above web address. Analysts and investors can dial-in using the following telephone numbers:

United Kingdom (Local): 020 3936 2999

Netherlands (Local): 085 888 7233

USA: 1 646 787 9445

For the full list of dial in numbers, please refer to the following link: Global Dial-In Numbers

Participation password for all countries: 939700

Editorial information:

HEINEKEN is the world's most international brewer. It is the leading developer and marketer of premium and non-alcoholic beer and cider brands. Led by the Heineken® brand, the Group has a portfolio of more than 350 international, regional, local and specialty beers and ciders. With HEINEKEN's over 90,000 employees, we brew the joy of true togetherness to inspire a better world. Our dream is to shape the future of beer and beyond to win the hearts of consumers. We are committed to innovation, long-term brand investment, disciplined sales execution and focused cost management. Through "Brew a Better World", sustainability is embedded in the business. HEINEKEN has a well-balanced geographic footprint with leadership positions in both developed and developing markets. We operate breweries, malteries, cider plants and other production facilities in more than 70 countries. Most recent information is available on our Company's website and follow us on LinkedIn, Twitter and Instagram.

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 based on current expectations and assumptions with regard to the financial position and results of HEINEKEN's activities, anticipated developments and other factors. All statements other than statements of historical facts are, or may be deemed to be, forward-looking statements. Forward-looking statements also include, but are not limited to, statements and information in HEINEKEN's non-financial reporting, such as HEINEKEN's emission reduction and other climate change related matters (including actions, potential impacts and risks associated therewith). These forward-looking statements are identified by use of terms and phrases such as "aim", "ambition", "anticipate", "believe", "could", "estimate", "expect", "goals", "intend", "may", "milestones", "objectives", "outlook", "plan", "probably", "project", "risks", "schedule", "seek", "should", "target", "will" and similar terms and phrases. These forward-looking statements, while based on management's current expectations and assumptions, are not guarantees of future performance since they are subject to numerous assumptions, known and unknown risks and uncertainties, which may change over time, that could cause actual results to differ materially from those expressed or implied 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 but not limited to future market and economic conditions, 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 and other goods and services, interest-rate and exchange-rate fluctuations, changes in tax rates, changes in law, environmental and physical risks, 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 assumes no duty to and 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 external sources, such as specialised research institutes, in combination with management estimates. HEINEKEN undertakes no responsibility for the accuracy or completeness of such external sources.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

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

HEINEKEN

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the six-month period ended 30 June

In millions of €	Note	**2024**	2023
Revenue	6	**17,823**	17,436
Excise tax expense	6	(2,999)	(2,912)
Net revenue	6	**14,824**	14,524
Other income		**26**	145
Raw materials, consumables and services		(9,674)	(9,704)
Personnel expenses		(2,267)	(2,110)
Amortisation, depreciation and impairments	7	(1,367)	(1,244)
Total other expenses		**(13,308)**	(13,058)
Operating profit	6	**1,542**	1,611
Interest income		47	46
Interest expenses		(342)	(295)
Other net finance expense		(142)	(186)
Net finance expenses		**(437)**	(435)
Share of profit/(loss) of associates and joint ventures	6, 7	(766)	100
Profit before income tax	6	**339**	1,276
Income tax expenses	11	(387)	(89)
Profit/(Loss)		**(48)**	1,187
Attributable to:			
Shareholders of the Company (net profit/(loss))		(95)	1,156
Non-controlling interests		47	31
Profit/(Loss)		**(48)**	1,187
Weighted average number of shares – basic	9	560,214,089	566,680,187
Weighted average number of shares – diluted	9	560,446,767	566,900,136
Basic earnings per share (€)		(0.17)	2.04
Diluted earnings per share (€)		(0.17)	2.04

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June

In millions of €	**2024**	2023
Profit/(Loss)	**(48)**	1,187
Other comprehensive income, net of tax:		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-retirement obligations	(24)	2
Net change in fair value through OCI investments - Equity investments	(8)	32
Items that may be subsequently reclassified to profit or loss:		
Currency translation differences	(73)	3
Change in fair value of net investment hedges	4	—
Change in fair value of cash flow hedges	101	(225)
Cash flow hedges reclassified to profit or loss	(1)	5
Net change in fair value through OCI investments - Debt investments	—	1
Cost of hedging	1	2
Share of other comprehensive income of associates/ joint ventures	45	(36)
Other comprehensive income/(expense), net of tax	**45**	(216)
Total comprehensive income/(loss)	**(3)**	971
Attributable to:		
Shareholders of the Company	(117)	1,091
Non-controlling interests	114	(120)
Total comprehensive income/(loss)	**(3)**	971

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at

In millions of €	Note	**30 June 2024**	31 December 2023
Intangible assets	7	21,771	21,781
Property, plant and equipment	7	14,463	14,772
Investments in associates and joint ventures	7	3,452	4,130
Loans and advances to customers		270	239
Deferred tax assets		1,215	1,292
Equity instruments		535	562
Other non-current assets		988	978
Total non-current assets		**42,694**	43,754
Inventories		3,859	3,721
Trade and other receivables		5,385	5,019
Current tax assets		166	196
Derivative assets		143	58
Cash and cash equivalents		2,277	2,377
Assets classified as held for sale		40	28
Total current assets		**11,870**	11,399
Total assets		**54,564**	55,153

In millions of €	Note	**30 June 2024**	31 December 2023
Shareholders' equity	9	19,408	20,056
Non-controlling interests	9	2,674	2,733
Total equity		**22,082**	22,789
Borrowings	10	13,792	14,046
Post-retirement obligations		628	586
Provisions		586	627
Deferred tax liabilities		2,105	2,213
Other non-current liabilities		81	67
Total non-current liabilities		**17,192**	17,539
Borrowings	10	4,705	4,192
Trade and other payables		9,401	9,432
Returnable packaging deposits		583	531
Provisions		201	206
Current tax liabilities		346	332
Derivative liabilities		54	132
Total current liabilities		**15,290**	14,825
Total equity and liabilities		**54,564**	55,153

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the six-month period ended 30 June

In millions of €	**2024**	2023
Operating activities		
Profit/(Loss)	(48)	1,187
Adjustments for:		
Amortisation, depreciation and impairments	1,367	1,244
Net interest expenses	295	249
Other income	(5)	(103)
Share of profit of associates and joint ventures and dividend income on fair value through OCI investments	751	(107)
Income tax expenses	387	89
Other non-cash items	169	316
Cash flow from operations before changes in working capital and provisions	**2,916**	2,875
Change in inventories	(220)	(611)
Change in trade and other receivables	(469)	(869)
Change in trade and other payables and returnable packaging deposits	437	470
Total change in working capital	**(252)**	(1,010)
Change in provisions and post-retirement obligations	22	(30)
Cash flow from operations	**2,686**	1,835
Interest paid	(349)	(298)
Interest received	51	51
Dividends received	58	51
Income taxes paid	(503)	(607)
Cash flow related to interest, dividend and income tax	**(743)**	(803)
Cash flow from operating activities	**1,943**	1,032

In millions of €	**2024**	2023
Investing activities		
Proceeds from sale of property, plant and equipment and intangible assets	51	84
Purchase of property, plant and equipment	(1,221)	(1,378)
Purchase of intangible assets	(81)	(90)
Loans issued to customers and other investments	(107)	(139)
Repayment on loans to customers and other investments	70	24
Cash flow (used in)/from operational investing activities	**(1,288)**	(1,499)
Free operating cash flow	**655**	(467)
Acquisition of subsidiaries, net of cash acquired	—	(821)
Acquisition of/additions to associates, joint ventures and other investments	(24)	(404)
Disposal of subsidiaries, net of cash disposed of	15	(1)
Disposal of associates, joint ventures and other investments	32	46
Cash flow (used in)/from acquisitions and disposals	**23**	(1,180)
Cash flow (used in)/from investing activities	**(1,265)**	(2,679)
Financing activities		
Proceeds from borrowings	1,973	5,492
Repayment of borrowings	(1,804)	(2,041)
Payment of lease commitments	(184)	(220)
Dividends paid	(638)	(840)
Purchase own shares and shares issued	(36)	(928)
Acquisition of non-controlling interests	—	(288)
Cash flow (used in)/from financing activities	**(689)**	1,175
Net cash flow	**(11)**	(472)
Cash and cash equivalents as at 1 January	1,425	1,618
Effect of movements in exchange rates	(89)	(171)
Cash and cash equivalents as at 30 June	**1,325**	975

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

In millions of €	Share capital	Share premium	Translation reserve	Hedging reserve	Cost of hedging reserve	Fair value reserve	Other legal reserves	Reserve for own shares	Retained earnings	Shareholders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2023	922	2,701	(3,619)	(47)	(9)	70	1,242	(60)	18,351	19,551	2,369	21,920
Hyperinflation restatement to 1 January 2023[1]	—	—	—	—	—	—	—	—	13	13	—	13
Balance as at 1 January 2023 after restatement	922	2,701	(3,619)	(47)	(9)	70	1,242	(60)	18,364	19,564	2,369	21,933
Profit	—	—	—	—	—	—	92	—	1,064	1,156	31	1,187
Other comprehensive income/(loss)	—	—	117	(218)	3	32	—	—	2	(64)	(152)	(216)
Total comprehensive income/(loss)	—	—	117	(218)	3	32	92	—	1,066	1,092	(121)	971
Realised hedge results from non-financial assets	—	—	—	91	—	—	—	—	—	91	—	91
Transfer to retained earnings	—	—	(2)	—	—	2	5	—	(5)	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	—	(694)	(694)	(237)	(931)
Purchase own shares or contributions received from NCI shareholders	—	—	—	—	—	—	—	(943)	—	(943)	14	(929)
Own shares delivered	—	—	—	—	—	—	—	37	(37)	—	—	—
Share-based payments	—	—	—	—	—	—	—	—	4	4	—	4
Acquisition/disposal of non-controlling interests without losing control[2]	—	—	—	—	—	—	—	—	(214)	(214)	(8)	(222)
Hyperinflation impact	—	—	—	—	—	—	—	—	65	65	—	65
Changes in consolidation[2]	—	—	—	—	—	—	—	—	349	349	732	1,081
Balance as at 30 June 2023	922	2,701	(3,504)	(174)	(6)	104	1,339	(966)	18,898	19,314	2,749	22,063

In millions of €	Share capital	Share premium	Translation reserve	Hedging reserve	Cost of hedging reserve	Fair value reserve	Other legal reserves	Reserve for own shares	Retained earnings	Shareholders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2024	**922**	**2,701**	**(3,705)**	**(14)**	**(7)**	**71**	**1,980**	**(966)**	**19,074**	**20,056**	**2,733**	**22,789**
Profit/(Loss)	—	—	—	—	—	—	(103)	—	8	(95)	47	(48)
Other comprehensive income/(loss)	—	—	(93)	100	—	(6)	—	—	(23)	(22)	67	45
Total comprehensive income/(loss)	**—**	**—**	**(93)**	**100**	**—**	**(6)**	**(103)**	**—**	**(15)**	**(117)**	**114**	**(3)**
Realised hedge results from non-financial assets	—	—	—	13	—	—	—	—	—	13	—	13
Transfer to retained earnings	—	—	—	—	—	(4)	13	—	(9)	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	—	(583)	(583)	(173)	(756)
Purchase own shares or contributions received from NCI shareholders	—	—	—	—	—	—	—	(36)	—	(36)	—	(36)
Own shares delivered	—	—	—	—	—	—	—	36	(36)	—	—	—
Share-based payments	—	—	—	—	—	—	—	—	3	3	—	3
Hyperinflation impact	—	—	—	—	—	—	—	—	72	72	—	72
Balance as at 30 June 2024	**922**	**2,701**	**(3,798)**	**99**	**(7)**	**61**	**1,890**	**(966)**	**18,506**	**19,408**	**2,674**	**22,082**

1 Includes impairment related to the hyperinflationary impact on the opening balance

2 Revised

HEINEKEN

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. REPORTING ENTITY

Heineken N.V. (the 'Company') is a public company domiciled in the Netherlands, with its head office in Amsterdam. The condensed consolidated interim financial statements of the Company as at and for the six-month period ended 30 June 2024, includes the financial statements of the Company and its consolidated subsidiaries (together referred to as 'HEINEKEN') and HEINEKEN's interest in joint ventures and associates.

The consolidated financial statements of HEINEKEN as at and for the year ended 31 December 2023 are available at www.theheinekencompany.com.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements are:

- Prepared in accordance with IAS 34 'Interim Financial Reporting' of the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The condensed consolidated interim financial statements do not meet the full requirements for annual financial statements required by IFRS and should be read in conjunction with the consolidated financial statements of HEINEKEN as at and for the year ended 31 December 2023. HEINEKEN's consolidated financial statements as at and for the year ended 31 December 2023 were adopted by the Annual General Meeting of shareholders on 25 April 2024 and an unqualified auditor's opinion was issued by Deloitte Accountants B.V. thereon.
- Prepared by the Executive Board of the Company and authorised for issue on 26 July 2024. The condensed consolidated interim financial statements have been reviewed by Deloitte Accountants B.V., refer to page 35.
- Prepared on a historical cost basis unless otherwise stated.
- Presented in Euro, which is the Company's functional currency.
- Rounded to the nearest million unless stated otherwise.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The areas that involve significant estimates and judgements are described in the consolidated financial statements of HEINEKEN for the year ended 31 December 2023. There has been no material change to these areas during the six-month period ended 30 June 2024, except relating to the identification of a trigger for impairment for an investment in associates and joint ventures.

Area involving significant estimates and judgements	Note
Judgement used in assessing significant or prolonged decline in the fair value of the investment for indication of impairment.	7 Impairment

4. SIGNIFICANT ACCOUNTING POLICIES

(a) General

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in HEINEKEN's consolidated financial statements for the year ended 31 December 2023. HEINEKEN has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(b) Income tax

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

(c) IFRS standards and interpretations effective on or after 1 January 2024

IFRS standards and interpretations effective for accounting periods beginning on or after January 1, 2024, do not have a material impact on the condensed consolidated interim financial statements of HEINEKEN.

IFRS 18, Presentation and Disclosure in Financial Statements, was issued in April 2024, replacing IAS 1, Presentation of Financial Statements. The standard will be effective on 1 January 2027. HEINEKEN is in the process of reviewing the impact of this new standard.

5. SEASONALITY

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

6. OPERATING SEGMENTS

For the six-month period ended 30 June

In millions of €	Europe		Americas		Africa & Middle East[3]		Asia Pacific		Head Office & Other/eliminations		Consolidated	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Third party revenue	6,871	6,945	5,355	4,996	2,379	2,413	3,185	3,053	33	29	17,823	17,436
Interregional revenue	393	429	3	3	—	—	—	—	(396)	(432)	—	—
Revenue	**7,264**	7,374	**5,358**	4,999	**2,379**	2,413	**3,185**	3,053	**(363)**	(403)	**17,823**	17,436
Excise tax expense[2]	(1,353)	(1,337)	(104)	(99)	(456)	(442)	(1,086)	(1,034)	—	—	(2,999)	(2,912)
Net revenue	**5,911**	6,037	**5,254**	4,900	**1,923**	1,971	**2,099**	2,019	**(363)**	(403)	**14,824**	14,524
Other income	2	81	23	48	1	15	—	1	—	—	26	145
Operating profit	**519**	599	**640**	565	**64**	49	**290**	309	**29**	89	**1,542**	1,611
Net finance expenses											(437)	(435)
Share of profit/(loss) of associates and joint ventures	9	10	39	32	9	9	(823)	49	—	—	(766)	100
Income tax expense											(387)	(89)
Profit/(Loss)											**(48)**	1,187
Operating profit reconciliation												
Operating profit	519	599	640	565	64	49	290	309	29	89	1,542	1,611
Eia[1]	95	22	214	38	105	173	119	91	5	4	537	328
Operating profit (beia)[1]	**614**	621	**854**	603	**169**	222	**409**	400	**34**	93	**2,079**	1,939
For the six-month period ended 30 June 2024 and as at 31 December 2023												
Total segment assets	**16,463**	15,611	**12,936**	13,516	**6,231**	6,340	**15,019**	15,710	**2,334**	2,269	**52,983**	53,446
Unallocated assets											**1,581**	1,707
Total assets											**54,564**	55,153

[1] Note that this is a non-GAAP measure. Due to rounding, this balance will not always cast.
[2] In addition to the €2,999 million of excise tax expense included in revenue (30 June 2023: €2,912 million) €1,031 million of excise tax expense is collected on behalf of third parties and excluded from revenue (30 June 2023: €1,032 million).
[3] Note that the name has been updated to exclude Eastern Europe, following the sale of Russia disposal group in 2023.

Reconciliation of segment profit or loss

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

Exceptional items are defined as items of income and expenses of such size, nature or incidence, that in the view of management, their disclosure is relevant to explain the performance of HEINEKEN for the period. Exceptional items include, amongst others, impairments (and reversal of impairments) of goodwill and fixed assets, gains and losses from acquisitions and disposals, redundancy costs following a restructuring, past service costs and curtailments, hyperinflation accounting adjustments, the tax impact on exceptional items and tax rate changes (the one-off impact on deferred tax positions).

Operating profit beia is a non-GAAP measure not calculated according to IFRS. Beia adjustments are also applied to other metrics. The exclusion of exceptional items allows for better understanding and prediction of the results that are under control of HEINEKEN management.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. Wherever appropriate and practical, HEINEKEN provides a reconciliation for relevant GAAP measures. The non-GAAP financial measures are unaudited. The presentation of these non-GAAP financial measures may not be comparable to similarly titled measures reported by other companies due to differences in the ways the measures are calculated.

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

For the six-month period ended 30 June

In millions of €	**2024**	2023
Operating profit (beia)	**2,079**	1,939
Amortisation of acquisition-related intangible assets included in operating profit	(171)	(156)
Exceptional items included in operating profit	(366)	(172)
Share of profit/(loss) of associates and joint ventures	(766)	100
Net finance expenses	(437)	(435)
Profit before income tax	**339**	1,276
Profit attributable to shareholders of the Company (net profit/(loss))	**(95)**	1,156
Amortisation of acquisition-related intangible assets included in operating profit	171	156
Exceptional items included in operating profit	366	172
Exceptional items included in net finance income/ expenses	(28)	81
Exceptional items and amortisation of acquisition-related intangible assets included in share of profit of associates and joint ventures	900	20
Exceptional items included in income tax expense	(77)	(356)
Allocation of exceptional items and amortisation of acquisition-related intangibles to non-controlling interests	(33)	(79)
Net profit (beia)	**1,204**	1,150

The exceptional items and amortisation of acquisition-related intangibles in net profit for the six-month period ended 30 June 2024 amounts to €1,299 million expenses (2023: €6 million benefit). This amount consists of:

- €171 million (2023: €156 million) of amortisation of acquisition-related intangibles recorded in operating profit.
- €366 million of exceptional net expenses recorded in operating profit (2023: €172 million). This includes €176 million of impairments, of which €158 million relates to Haiti (2023: €175 million of impairments, of which €113 million relates to Russia), €28 million of net restructuring expenses (2023: €39 million of net restructuring expenses), €21 million exceptional net expenses recorded relating to hyperinflation accounting adjustment (2023: €25 million exceptional net expenses), nil exceptional items recorded in other income (2023: €38 million exceptional net benefit recorded in other income related to tax credits in Brazil) and €141 million other exceptional net expenses (2023: €29 million other exceptional net benefits).
- €28 million of exceptional net finance income, mainly related to €42 million of exceptional net benefit related to the net monetary gain resulting from hyperinflation and €14 million other exceptional net expenses (2023: €81 million of exceptional net finance expenses, mainly related to €125 million of exceptional net expense related to the one-off impact of the devaluation of the Nigerian Naira, €24 million of exceptional net benefit related to the net monetary gain resulting from hyperinflation, €25 million of exceptional net benefit mainly related to interest on tax credits in Brazil and €5 million other exceptional net expenses).
- €900 million of exceptional net expenses included in share of profit of associates and joint ventures, mainly related to impairment of the investment in CR Beer of €874 million (2023: €20 million).
- €77 million of exceptional net benefit, mainly related to the tax benefit on exceptional items and amortization of acquisition-related intangibles (2023: €356 million exceptional net benefit, mainly related to the recognition of previously unrecognised deferred tax assets in Brazil.
- Total exceptional net benefit allocated to non-controlling interest amounts to €33 million (2023: €79 million).

7. IMPAIRMENTS OF NON-CURRENT ASSETS

(a) Property, plant and equipment

Impairments of €165 million on owned property, plant and equipment, €8 million on intangible assets with finite useful life and €3 million on right of use (ROU) assets were recorded for the six-month period ended 30 June 2024 (2023: €192 million, net impairment). The impairments mainly relate to Brasserie Nationale d'Haiti S.A. (Haiti) of €158 million, which is included in the Americas operating segment. Impairments are recorded on the line 'amortisation, depreciation and impairments' in the income statement.

The impairment for Haiti is primarily driven by the country's deteriorated economic outlook due to political unrest and insecurity, and the continued application of hyperinflation accounting.

The determination of the recoverable amount of the assets of Haiti is based on a value-in-use valuation, which is based on a discounted 10-year cash flow forecast. The key assumptions used to determine the cash flows are based on market expectations and management's best estimate. Cash flows thereafter are extrapolated using a perpetual growth rate equal to the expected 30-year compounded average inflation, in order to calculate the terminal recoverable amount.

See the table below for the key assumptions:

For the six-month period ended 30 June	Haiti			
	2024		2023	
In %	**2024-2027**	**2028-2033**	2023-2026	2027-2032
Pre-tax WACC (in local currency)	**36.9**	**36.9**	33.5	33.5
Expected annual long-term inflation	**13.2**	**13.2**	5.9	5.9
Expected volume growth	**0.1**	**2.7**	5.5	4.4

(b) Investments in associates and joint ventures

The table below represents the share of profit or losses of associates and joint ventures:

For the six-months ended 30 June	2024	2023
Share of profit of associates and joint ventures before impairment	108	100
Impairment of associates and joint ventures	(874)	—
Share of profit/(loss) of associates and joint ventures	**(766)**	100

HEINEKEN holds a shareholding of 40% in CRH (Beer) Limited ('CBL') since 29 April 2019. CBL holds a controlling interest of 51.67% in China Resources Beer (Holdings) Co. Ltd. ('CR Beer'), a company incorporated in Hong Kong and listed on the Main Board of The Stock Exchange of Hong Kong Limited, operating in the beer business in China. Consequently, HEINEKEN has an effective 20.67% economic interest in CR Beer. Based on the closing share price of HKD26.25 as at 30 June 2024 (31 December 2023: HKD34.20), the fair value of this economic interest in CR Beer amounts to €2,106 million (31 December 2023: €2,657 million).

In accordance with IFRS, a significant or prolonged decline in the fair value of the investment below its cost is considered in assessing for any indication of impairment. If any such indication exists, an impairment test should be performed. At 31 December 2023, the fair value of the investment in CR Beer, based on the share price, was below its cost. The lower valuation was, however, not considered significant nor prolonged. At 30 June 2024, a significant decline in the fair value of the investment below its cost was identified. The decline was driven by concerns on the macroeconomic environment in China and a negative view on consumer goods companies seen as more exposed to soft consumer demand.

The recoverable amount of a cash generating unit is based on the higher of the fair value less costs of disposal (FVLCD) and value-in-use (VIU). The determination of the recoverable amount of CBL is based on a FVLCD valuation, which is based on the share price (level 1 hierarchy) of CR Beer.

An impairment of €874 million was recognised against the carrying amount of CBL, which is included in the Asia Pacific operating segment. The impairment charge is recorded on the line 'share of profit of associates and joint ventures' in the income statement. The carrying amount of CBL as at 30 June 2024 amounts to €2,106 million (31 December 2023: €2,832 million).

8. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

(a) Financial risk management

The consolidated financial statements of HEINEKEN for the year ended 31 December 2023 describe the financial risks that HEINEKEN is exposed to in the normal course of business, as well as the policies and processes that are in place for managing these risks. Those risks, policies and processes remain valid and should be read in conjunction with these condensed consolidated interim financial statements.

(b) Fair value

For bank loans and other interest-bearing liabilities, the carrying amount is a reasonable approximation of fair value. The fair value of the unsecured bond issued as at 30 June 2024 was €12,934 million (31 December 2023: €13,640 million) and the carrying amount measured at amortised cost was €13,776 million (31 December 2023: €14,209 million).

(c) Fair value hierarchy

During the six-month period ended 30 June 2024, there have been no material changes related to the fair value hierarchy.

9. EQUITY

(a) Reserves

Reserves consist of a translation reserve, hedging reserve, fair value reserve, other legal reserves and reserve for own shares. The main variance in comparison to prior year is driven by foreign currency translation in the translation reserve, change in fair value of cash flow hedges in the hedging reserve, and the legal reserve for share of profit of joint ventures and associates over the distribution of which HEINEKEN does not have control.

(b) Weighted average number of shares - basic and diluted

For the six-month period ended 30 June	2024	2023
Total number of shares issued	576,002,613	576,002,613
Effect of own shares held	(10,631,743)	(6,367,948)
Shares for which dividend is waived by Heineken Holding N.V.	(5,156,781)	(2,954,478)
Weighted average number of basic shares outstanding	**560,214,089**	566,680,187
Dilutive effect of share-based payment plan obligations	232,678	219,949
Weighted average number of diluted shares outstanding	**560,446,767**	566,900,136

In 2023, HEINEKEN entered into a cross-holding agreement with Heineken Holding N.V., which includes a waiver by HEINEKEN of payment of any dividends on the Heineken Holding N.V. shares held by HEINEKEN as well as by Heineken Holding N.V. on an equivalent number of HEINEKEN shares held by Heineken Holding N.V. The HEINEKEN shares for which dividend is waived by Heineken Holding N.V. are therefore not part of the number of outstanding ordinary shares of HEINEKEN.

(c) Dividends

The following dividends have been declared and paid by HEINEKEN:

For the six-month period ended 30 June

In millions of €	2024	2023
Final dividend previous year €1.04, respectively €1.23 per qualifying share	**583**	694

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

For the six-month period ended 30 June

In millions of €	2024	2023
Interim dividend per qualifying share €0.69 (2023: €0.69)	**387**	387

10. BORROWINGS

As at	30 June	31 December
In millions of €	**2024**	2023
Unsecured bond issues	13,776	14,209
Lease liabilities	1,332	1,267
Bank loans	768	526
Other interest-bearing liabilities	1,109	793
Deposits from third parties[1]	560	491
Bank overdrafts	952	952
Total borrowings	**18,497**	18,238
Market value of cross-currency interest rate swaps	12	(3)
Other investments	(58)	(23)
Cash and cash equivalents	(2,277)	(2,377)
Net debt	**16,174**	15,835

[1]Mainly employee deposits

Other interest-bearing liabilities includes €783 million of centrally issued commercial paper (31 December 2023: €500 million).

HEINEKEN has cash pooling arrangements with legally enforceable rights to offset cash and overdraft balances. As at 30 June 2024, Bank overdrafts and Cash and cash equivalents both include an amount of €672 million with legally enforceable rights to offset (31 December 2023: €512 million).

Centrally available financing headroom

The centrally available financing headroom at Group level was approximately €2.7 billion as at 30 June 2024 (31 December 2023: €3.2 billion) and consisted of the undrawn part of the committed €3.5 billion revolving credit facility and centrally available cash minus centrally issued commercial paper and short-term bank borrowings at group level.

11. TAX

For the six-month period ended 30 June 2024, the effective tax rate was 35.0% (2023: 7.6%). The effective tax rate was primarily impacted by additional tax provisions recognised for tax audits and exceptional items in operating profit for which no tax benefit could be recognised. The significantly lower effective tax rate in 2023 was primarily due to the recognition of previously unrecognised deferred tax assets in Brazil.

12. SUBSEQUENT EVENTS

On 24 June 2024, HEINEKEN placed € 900 million of notes for which the proceeds were received on 4 July 2024. The notes, which are listed on the Luxembourg Stock Exchange, have a maturity date on 4 July 2036 and have a coupon of 3.812%. The proceeds are to be used for general corporate purposes, including debt repayments.

NON-GAAP MEASURES

Throughout this report several measures are used which are not defined by generally accepted accounting principles (GAAP). We believe this information is useful to all external stakeholders because it provides a clear and consistent view of the underlying operational performance of the company's primary business activities and the execution of its strategy.

Our Executive Board, HEINEKEN's chief operation decision maker, uses these financial measures, along with the most directly comparable GAAP financial measures, in evaluating our operating performance and value creation.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. Wherever appropriate and practical, we provide a reconciliation to relevant IFRS measures. The presentation of these financial measures may not be comparable to similarly titled measures reported by other companies due to differences in the ways the measures are calculated. The non-GAAP measures are unaudited.

Please refer to the glossary on page 37 for more details on specific measures and definitions.

Capital expenditure related to PP&E and intangible assets (capex)

(in € million unless otherwise stated)	HY23	**HY24**
Purchase of property, plant and equipment	1,378	1,221
Purchase of intangible assets	90	81
Capital expenditure related to PP&E and intangible assets (capex)	1,468	**1,302**

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

HEINEKEN

Reconciliation of comparative figures

Key figures[1]

(in € million unless otherwise stated)	HY 2022 Reported	HY 2022 Eia	HY 2022 Beia	HY 2023 Reported	HY 2023 Total growth %	HY 2023 Eia	HY 2023 Beia	HY 2023 Currency translation	HY 2023 Consolidation impact	HY 2023 Organic growth	HY 2023 Organic growth %
Revenue	16,401	0	16,401	**17,436**	**6.3%**	**-13**	**17,423**	**-188**	**304**	**905**	**5.5%**
Excise tax expense	-2,917	0	-2,917	-2,912	0.2%	3	-2,909	97	-73	-16	-0.6%
Net revenue	13,485	0	13,485	**14,524**	**7.7%**	**-10**	**14,514**	**-91**	**231**	**889**	**6.6%**
Marketing and selling expenses	-1,228	-44	-1,272	-1,457	-18.6%	0	-1,457	11	-16	-178	-14.0%
Personnel expenses	-1,934	4	-1,930	-2,110	-9.1%	46	-2,064	7	-41	-100	-5.2%
Amortisation, depreciation and impairments	-932	137	-795	-1,244	-33.5%	350	-895	-1	-34	-65	-8.1%
Other net (expenses)/income	-7,321	-13	-7,333	-8,102	-10.7%	-58	-8,159	63	-154	-735	-10.0%
Total net other (expenses)/income	-11,415	84	-11,330	-12,913	-13.1%	338	-12,575	79	-246	-1,078	-9.5%
Operating profit	2,070	84	2,155	**1,611**	**-22.2%**	**328**	**1,939**	**-12**	**-14**	**-189**	**-8.8%**
Interest income	28	0	28	46	64.3%	0	46	-1	0	19	69.0%
Interest expense	-213	0	-213	-295	-38.5%	-6	-301	12	-19	-81	-38.0%
Net interest income/(expenses)	-185	0	-185	-249	-34.6%	-6	-255	11	-19	-62	-33.3%
Other net finance income/(expenses)	37	-12	24	-186	-602.7%	86	-100	0	-2	-122	-499.2%
Share of profit of associates and joint ventures	80	23	103	100	25.0%	20	120	1	1	15	14.6%
Income tax expense	-547	-27	-574	-89	83.7%	-356	-444	1	3	125	21.8%
Non-controlling interests	-190	-7	-197	-31	83.7%	-79	-110	4	3	79	40.3%
Net profit	1,265	62	1,326	**1,156**	**-8.6%**	**-6**	**1,150**	**5**	**-29**	**-153**	**-11.6%**
EBITDA[2]	3,081	-29	3,053	**2,955**	**-4.1%**	**-1**	**2,954**				
Effective tax rate[3]	28.5%		28.8%	**7.6%**	**7.8%**		**28.0%**				

[1] This table will not always cast due to rounding. This table contains a reconciliation between IFRS reported and certain Non-GAAP measures. Please refer to page 32 for an explanation of the use of Non-GAAP measures.
[2] EBITDA is calculated as earnings before interest, taxes, net finance expenses, depreciation, amortisation and impairment. EBITDA includes HEINEKEN's share in net profit of joint ventures and associates.
[3] Income tax expense expressed as a percentage of the profit before income tax, adjusted for share of profit of associates and joint ventures.

STATEMENT OF THE EXECUTIVE BOARD

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

To our knowledge:

1. The condensed consolidated interim financial statements for the six-month period ended 30 June 2024, which have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU, give a true and fair view of the assets, liabilities, financial position, and profit or loss of Heineken N.V. and the businesses included in the consolidation as a whole;
2. The management report of the Executive Board for the six-month period ended 30 June 2024 (as set out on pages 1-19 of this press release) includes a fair review of the information required pursuant to article 5:25d paragraphs 8 and 9 of the Dutch Financial Markets Supervision Act ("Wet op het financieel toezicht").

Executive Board

Dolf van den Brink (Chairman/CEO)

Harold van den Broek (CFO)

Amsterdam, 26 July 2024

INDEPENDENT AUDITOR'S REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Executive Board and Supervisory Board of Heineken N.V.

Our conclusion

We have reviewed the condensed consolidated interim financial statements for the 6-month period ended 30 June 2024 of Heineken N.V. based in Amsterdam.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements for the 6-month period ended 30 June 2024 of Heineken N.V. are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

The condensed consolidated interim financial statements comprise:

- The condensed consolidated interim income statement for the 6-month period ended 30 June 2024.
- The condensed consolidated interim statements of comprehensive income for the 6-month period ended 30 June 2024.
- The condensed consolidated interim statement of financial position as at 30 June 2024.
- The condensed consolidated interim statement of cash flows for the 6-month period ended 30 June 2024.
- The condensed consolidated interim statement of changes in equity as at 30 June 2024.
- The notes to the condensed consolidated interim financial statements for the 6-month period ended 30 June 2024.

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, 'Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit' (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial statements in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of the interim financial statements' section of our report.

We are independent of Heineken N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the Executive Board and the Supervisory Board for the interim financial statements

The Executive Board is responsible for the preparation of the condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Furthermore, the Executive Board is responsible for such internal control as it determines is necessary to enable the preparation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the entity's financial reporting process.

Our responsibilities for the review of the interim financial information

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Updating our understanding in the entity and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed consolidated interim financial statements where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion.

- Obtaining an understanding of internal control, as it relates to the preparation of the condensed consolidated interim financial statements.
- Making inquiries of management and others within the entity.
- Applying analytical procedures with respect to information included in the condensed consolidated interim financial statements.
- Obtaining assurance evidence that the condensed consolidated interim financial information agrees with or reconciles to the entity's underlying accounting records.
- Evaluating the assurance evidence obtained.
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle.
- Considering whether management has identified all events that may require adjustment to or disclosure in the condensed consolidated interim financial statements.
- Considering whether the condensed consolidated interim financial statements have been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Amsterdam, July 26, 2024

Deloitte Accountants B.V.

C. Binkhorst

HEINEKEN

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.

Average effective interest rate

Net interest income and expenses related to the net debt position divided by the average net debt position calculated on a quarterly basis.

Beia

Before exceptional items and amortisation of acquisition-related intangible assets. Whenever used in this report, the term "beia" refers to performance measures (EBITDA, net profit, effective tax rate, etc) before exceptional items and amortisation of acquisition related intangible assets. Next to the reported figures, management evaluates the performance of the business on a beia basis across several performance measures as it considers this enhances their understanding of the underlying performance. Managerial incentives are set mostly on beia performance measures and the dividend is set relative to the net profit (beia).

Beyond beer

Alcoholic and non-alcoholic beverage propositions beyond core beer, which leverage natural ingredients and/or beer production process. This includes for example flavoured beer, Ciders, RTDs (Ready-To-Drinks) and malt based drinks.

Capital expenditure related to PP&E and intangible assets (capex)

Sum of 'Purchase of property, plant and equipment' and 'Purchase of intangible assets' as included in the consolidated statement of cash flows.

Cash conversion ratio

Free operating cash flow/net profit (beia) before deduction of non-controlling interests, calculated on an annual basis only.

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 cash

Represents cash after the deduction of overdraft balances in the group cash pooling structure and other cash and cash equivalents owned at group level.

Centrally available financing headroom

This consists of the undrawn part of the committed €3.5 billion revolving credit facility and centrally available cash, minus centrally issued commercial paper and short-term bank borrowings at group level.

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).

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, amortisation and impairment. 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 cash flow from operational investing activities.

Gross merchandise value

Value of all products sold via our eB2B platforms. This includes our own and third-party products, including all duties and taxes. As part of its objective to become the best connected brewer, management has set as a key priority to scale up its eB2B platforms to better serve customers and improve sales force productivity. External stakeholders can assess the progress relative to this ambition and to the scale of other eB2B platforms.

Gross savings

Structural cost reductions resulting from targeted initiatives to improve efficiency and productivity, relative to the baseline of expenses of a previous period adjusted for inflation. The gross savings exclude cost-to-achieve, consolidation changes and decisions to reinvest. Gross savings is the leading metric used by management to measure productivity gains across the business in line with one of the top priorities of the EverGreen strategy and provide evidence to our external stakeholders of the progress at HEINEKEN to build a cost-conscious capability.

Group net revenue (beia)

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

Group operating profit

Net revenue less total net other expenses.

Group operating profit (beia)

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

Group operating profit margin

Operating profit represented as a percentage of net revenue.

Net debt

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

Net interest expenses

Total interest expense incurred minus interest income earned.

Net profit

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

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 and consolidation changes. Whenever used in this report, the term refers to the organic growth of the related performance measures (revenue, operating profit, net profit, etc). Management evaluates the organic performance of operating companies as it reflects their performance in local currency. External stakeholders can separately assess the performance in local currency, the translational effects into euros and the consolidation changes.

Organic growth %

Organic growth divided by the related prior year beia amount. Whenever used in this report, the term “organically” refers to the organic growth % of the related performance measures (revenue, operating profit, net profit, etc).

Organic volume growth

Growth in volume, excluding the effect of consolidation changes.

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

HEINEKEN

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. The metric allows management and external stakeholders a clearer understanding of the underlying development of price-mix, a lever of value creation, which can be affected at a segment-level when combining operations that have structurally different net revenue per hectolitre, due to differences in value chains, business models and economic conditions.

Profit

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

Pro-forma 12-month rolling net debt/EBITDA (beia) ratio

Net debt divided by the 12-month rolling pro-forma EBITDA (beia), which includes acquisitions and excludes disposals on a 12-month pro-forma basis. Reconciliations of net debt and EBITDA (beia) are provided separately in the release, but it's impracticable to reconcile the ratio since it's calculated on a 12 month pro-forma basis. Management uses this ratio to assess the overall levels of net debt in respect to the cash generation potential from the business, with the objective to be below 2.5x. The ratio is useful to external stakeholders to assess the financial profile of the business.

®

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.

Total borrowings

Sum of 'Non-current borrowings' and 'current borrowings' as included in the consolidated statement of financial position.

Total net other expenses

The sum of marketing & selling expenses, personnel expenses, amortisation, depreciation and impairments and other net expenses.

Variable cost

Includes input costs (raw material, packaging material and inventory movements), transport and energy & water.

Volume

Beer volume

Beer volume produced and sold by consolidated companies.

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.

Group beer volume

The sum of beer volume, licensed beer volume and attributable share of beer volume from joint ventures and associates.

Licensed volume

100% of volume from HEINEKEN's beer brands sold under licence agreements by joint ventures, associates and third parties.

LONO

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

Non-beer volume

Cider, soft drinks and other non-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.

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.

Weighted average number of shares

Basic

Weighted average number of outstanding shares.

Diluted

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

Working capital

The sum of inventories and trade and other receivables less trade and other payables and returnable packaging deposits.