PRESS RELEASE

Amsterdam, 31 July 2024

JDE Peet's reports half-year results 2024

Strong, broad-based performance across top-line, profitability and cash flow

Key items[1]

- Organic sales up +3.6% (5-yr CAGR: +5.0%), driven by +2.4% price and +1.2% volume/mix
- Reported sales up +5.6% to EUR 4,210 million
- Organic adjusted gross profit up +9.0%
- Organic adjusted EBIT up +17.5% (5-yr CAGR: +4.4%); A&P slightly up organically
- Free cash flow of EUR 315 million; net leverage at 3.1x
- Underlying EPS of EUR 0.76; Basic EPS of EUR 0.74
- FY 24 outlook raised

A message from Luc Vandevelde, Interim CEO of JDE Peet's

"I am very pleased with this strong set of results for the first half of 2024. We delivered robust, broad-based performance across top-line, profitability and cash flow, despite operating in a challenging environment that continues to be characterised by rising green coffee prices and a growing demand for more affordable offerings.

In the first half, we continued to make good progress in our strategic priorities, achieving double-digit growth in E-commerce and China, continued good performance for Peet's and L'OR Barista. The integration of Maratá and Caribou is also well underway, with both delivering results that are in line with our expectations.

This overall strong performance underscores the strength of our business, bolstered by our multi-channel approach, diverse high-quality product offerings, powerful brands, leading market positions, and the resilience of our organisation.

Given our strong H1 performance and our expectations for H2 – including the continued inflation and volatility in green coffee prices and the additional pricing this will require - we are confident in raising our full-year outlook across top-line, profitability and cash flow, also enabling us to bring down our net leverage to below 3x within 12 months after closing Maratá and Caribou."

[1] This press release contains Alternative Performance Measures (APMs), which are not recognised measures of financial performance under IFRS. For a reconciliation of these APMs to the most directly comparable IFRS financial measures, refer to Reconciliation of non-IFRS information on page 7.

Outlook 2024

Taking into account the strong performance in H1 24 as well as the expectations for H2, including the continued inflation and volatility in green coffee prices and the additional pricing this will require, the company increases its outlook for full-year 2024:

- Organic sales growth at the higher end of its medium-term range of 3 - 5% (increased);
- Organic adjusted EBIT growth of around 10% (increased);
- Free cash flow of at least EUR 850 million (increased);
- Net leverage below 3x (improved);
- Stable dividend (unchanged)

Sustainability

JDE Peet's continues to demonstrate resilience and agility as a responsible and sustainable company, delivering financial and operational results while advancing on our ESG objectives.

In the first half of 2024, JDE Peet's aligned its GHG emissions reduction ambition to be net-zero in 2050, including the new Forestry, Land and Agriculture (FLAG) target, and validated by SBTi:

- A 43% reduction in absolute Scope 1 & 2 emissions by 2030[2]
- A 30% reduction in absolute forest, land and agriculture (FLAG) emissions by 2030[2]
- 25% reduction in absolute Scope 3 emissions by 2030, from a 2020 base year (industrial non-FLAG).

We also continue to progress on our preparedness for the EU Deforestation Regulation (EUDR). This new regulation requires companies to demonstrate as of January 2025, that, among others, all green coffee imports into the EU, have not been harvested from land deforested after 31 December 2020 (the EUDR cut-off date). In collaboration with Enveritas, we initiated a groundbreaking project in 2023 to map coffee-related deforestation globally. To date, more than 90% of the world's coffee growing-areas have been mapped, revealing that less than 0.07% of the coffee-related plots show deforestation after 31 December 2020 . We are engaging with local operators, governments, NGOs and farmers in multiple countries to effectively mitigate and prevent deforestation.

[2] *from a 2020 base year*

FINANCIAL REVIEW HALF-YEAR 2024

in EUR million (unless otherwise stated)

	6M 2024	6M 2023	Organic change	Reported change
Sales	4,210	3,988	3.6%	5.6%
Gross Profit	1,683	1,542	8.5%	9.1%
Adjusted gross profit[1]	1,636	1,490	9.0%	9.8%
Operating profit	672	323	104.9%	108.0%
Adjusted EBIT[1]	692	581	17.5%	19.2%
Profit for the period	360	193	—	86.5%
Underlying profit for the period[1]	370	411	—	-10.0%
Basic EPS (EUR)[2]	0.74	0.41	—	80.5%
Underlying EPS (EUR)[1,2,3]	0.76	0.85	—	-10.6%

[1] *Alternative Performance Measure. Refer to Reconciliation of non-IFRS information on page 7*
[2] *Based on weighted average number of shares outstanding*
[3] *Underlying earnings (per share) exclude all adjusting items (net of tax)*

Total reported sales increased by 5.6% to EUR 4,210 million. Excluding a -1.8% effect related to foreign exchange and 3.9% related to scope and other changes, sales increased by 3.6% on an organic basis. Organic sales growth was driven by a price effect of 2.4% and a volume/mix effect of 1.2%. In-Home sales increased organically by 3.4% and in Away-from-Home by 4.2%. The 5-year organic CAGR for sales was 5.0%.

Total adjusted EBIT increased organically by 17.5% to EUR 692 million. The increase was driven by an organic increase of 9.0% in adjusted gross profit, including a one-off EUR 16 million insurance payout related to a warehouse issue that impacted performance at Peet's in H1 23, and disciplined cost control. A&P was broadly around the same level as in the same period last year, increasing slightly on an organic basis. The 5-year organic CAGR for adjusted EBIT was 4.4%. Including the effects of foreign exchange and scope changes, adjusted EBIT increased by 19.2%. Operating profit more than doubled to EUR 672 million, which is partially explained by EUR 238 million lower adjusting items compared to the same period last year.

Profit for the period increased by 86.5% to EUR 360 million. Underlying profit - excluding all adjusting items net of tax - decreased by 10.0% to EUR 370 million. This performance was mainly driven by an unfavourable non-cash, non-tax deductible impact of EUR 113 million from a fair value change in the company's equity derivatives, due to the decrease in the share price in H1 24. Excluding the aforementioned fair value change, the underlying effective tax rate would have been around 25% and underlying profit would have been EUR 483 million, or 17.5% higher than in H1 23.

Free cash flow was EUR 315 million in the first half of 2024.

Net debt increased by EUR 890 million to EUR 4,780 million in the first half of 2024, which was driven by the transaction considerations related to Maratá and Caribou. As a result, net leverage was 3.1x net debt to adjusted EBITDA at the end of H1 24.

JDE Peet's' liquidity position remains strong, with total liquidity of EUR 2.7 billion consisting of a cash position of EUR 1.2 billion (excluding restricted cash) and available committed RCF facilities of EUR 1.5 billion.

FINANCIAL REVIEW HALF-YEAR 2024 - BY SEGMENT

in EUR million (unless otherwise stated)

	Sales 6M 2024	Reported change	Organic change[2]	Adj. EBIT 6M 2024	Reported change	Organic change[2]
Europe	2,277	1.3%	1.0%	539	14.3%	14.1%
LARMEA	918	21.9%	11.8%	125	-3.3%	-10.1%
Peet's	613	6.4%	4.3%	97	44.3%	41.7%
APAC	387	-2.4%	0.8%	85	56.9%	60.1%
JDE Peet's[1]	**4,210**	**5.6%**	**3.6%**	**692**	**19.2%**	**17.5%**

[1] Includes EUR 15 million of sales and EUR (154) million adj. EBIT that are not allocated to the segments

[2] Alternative Performance Measure. Refer to Reconciliation of non-IFRS information on page 7

Europe

Organic sales growth of 1.0% was driven by an increase in volume/mix of 1.4% and a decrease in price of -0.4%. Both the In-Home as well as the Away-from-Home businesses delivered positive volume/mix which was slightly offset by price, reflecting a high comparable base. Notable strong performance was delivered by countries such as France, the Nordics and Italy and brands including L'OR, Gevalia and Les 2 Marmottes.

Reported sales increased by 1.3% to EUR 2,277 million, including a 0.2% effect from foreign exchange. Adjusted EBIT increased organically by 14.1% to EUR 539 million in H1 24, reflecting the interplay of the phasing of inflation and pricing, ongoing productivities, a stable level of A&P, as well as a relatively low base of comparison. The 5-year organic CAGR for adjusted EBIT was -0.9%.

LARMEA

Organic sales growth of 11.8% was driven by an increase of 9.8% in price and 2.0% in volume/mix. Volume/ mix was softer due to challenging market conditions in Brazil, while price growth reflected the required additional price increases to offset the recent material increase in green coffee prices. The integration of Maratá is progressing well and performance to date is evolving according to plan.

Reported sales increased by 21.9% to EUR 918 million, including a 18.9% scope/other effect related to the acquisition of Maratá, and a foreign exchange effect of -8.8% mainly related to the Russian ruble and the Turkish lira. Adjusted EBIT decreased organically by 10.1% to EUR 125 million in H1 24, mainly reflecting transactional forex impact and the carry-over effect of the brand transition in Russia in 2023. The 5-year organic CAGR for adjusted EBIT was 12.6%.

Peet’s

Organic sales growth of 4.3% was driven by an increase of 2.3% in volume/mix and 2.0% in price. Peet's' In-Home business continued to deliver competitive growth while in its US coffee retail stores, same stores sales and ticket size were up and Peet's China continued to deliver strong double-digit growth.

Reported sales increased by 6.4% to EUR 613 million, which included a positive scope effect of 2.1% related to the consolidation of Caribou since 26 March 2024. Adjusted EBIT increased organically by 41.7% to EUR 97 million, reflecting strong operational performance, cost efficiencies and a EUR 16 million insurance payout related to a warehouse issue that impacted Peet's' performance in H1 23. The 5-year organic CAGR for adjusted EBIT was 16.0%.

APAC

Organic sales growth of 0.8% was driven by an increase of 4.4% in price and -3.7% in volume/mix, reflecting overall market softness and the carry-over impact from last year's SKU rationalisation, as well as softness in APAC's Away-from-Home business. Sales performance was geographically mixed, with strong performances in countries such as Malaysia and China offset by softer performances in Australia and New Zealand.

Reported sales decreased by 2.4% to EUR 387 million, including a foreign exchange effect of -3.1%. Adjusted EBIT increased organically by 60.1% to EUR 85 million in H1 24, mainly reflecting i) a low base of comparison related to one-off costs from a temporary supply chain disruption in H1 23 connected to one of our main manufacturing facilities in the region, ii) the interplay between pricing and the usage of lower priced green coffee from inventories, and iii) the positive effect from last year's SKU rationalisation. The 5-year organic CAGR for adjusted EBIT was 13.9%.

CONFERENCE CALL & AUDIO WEBCAST

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

ENQUIRIES

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About JDE Peet's

JDE Peet's is the world's leading pure play coffee and tea company, serving approximately 4,100 cups of coffee or tea per second. JDE Peet's unleashes the possibilities of coffee and tea in more than 100 markets with a portfolio of over 50 brands including L'OR, Peet's, Jacobs, Senseo, Tassimo, Douwe Egberts, OldTown, Super, Pickwick and Moccona. In 2023, JDE Peet's generated total sales of EUR 8.2 billion and employed a global workforce of more than 21,000 employees. Read more about our journey towards a coffee and tea for every cup at www.jdepeets.com.

IMPORTANT INFORMATION

Market Abuse Regulation

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

Presentation

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

Forward-looking Statements

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

Market and Industry Data

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

RECONCILIATION OF NON-IFRS MEASURES

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

IFRS RECONCILIATION

Sales growth bridge by segment

	Vol/Mix	Price	Organic change	FX	Scope & other	Reported change
Europe	1.4%	-0.4%	1.0%	0.2%	—	1.3%
LARMEA	2.0%	9.8%	11.8%	-8.8%	18.9%	21.9%
Peet's	2.3%	2.0%	4.3%	-0.0%	2.1%	6.4%
APAC	-3.7%	4.4%	0.8%	-3.1%	—	-2.4%
JDE Peet's	**1.2%**	**2.4%**	**3.6%**	**-1.8%**	**3.9%**	**5.6%**

Composition of Gross profit

in EUR m	Reported 6M 2024	Adjusting items	Adjusted	Reported change	FX impact	Scope & other	Organic change
Gross Profit	**1,683**	**(47)**	**1,636**	**9.8%**	**-1.7%**	**2.5%**	**9.0%**

Reconciliation of Operating profit to Underlying profit for the period

in EUR m	6M 2024	6M 2023
Operating profit	**672**	**323**
ERP system implementation	6	3
Transformation activities and corporate actions	28	44
Share-based payment expense	(5)	22
Mark-to-market results	(59)	(55)
Amortisation of acquired intangible assets and M&A/Deal costs	50	244
Total Adjusting items	**20**	**258**
Adjusted EBIT	**692**	**581**
Adjusted net financial income/(expenses)	(158)	(49)
Adjusted income tax expense	(166)	(125)
Non-controlling interest	2	4
Underlying Profit	**370**	**411**
Time-weighted average number of ordinary shares	486,539,229	485,547,276
Underlying earnings per share (in EUR)	**0.76**	**0.85**

Reconciliation of reported to organic Adjusted EBIT growth

	Reported Adj EBIT change	FX	Scope & Other	Organic Adj EBIT change
Europe	14.3%	-0.2%	—	14.1%
LARMEA	-3.3%	9.7%	-16.5%	-10.1%
Peet's	44.3%	-0.4%	-2.2%	41.7%
APAC	56.9%	3.1%	—	60.1%
JDE Peet's	**19.2%**	**2.4%**	**-4.1%**	**17.5%**

Reconciliation of Adjusted EBIT to Adjusted EBITDA

in EUR m	6M 2024	6M 2023
Adjusted EBIT	**692**	**581**
Adjusted D&A	148	154
Adjusted EBITDA	**840**	**735**

Adjusted Depreciation and amortisation (Adjusted D&A)

in EUR m	6M 2024	6M 2023
Depreciation, amortisation and impairments	**198**	**395**
Impairment property, plant & equipment	(7)	(2)
Amortisation acquired intangible assets[1]	(43)	(239)
Adjusted Depreciation and amortisation	**148**	**154**

[1] In 6M 2023 an impairment charge was recognised for an amount of EUR 185 million related to the Jacobs brand.

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

in EUR m	30 June 2024	30 June 2023
Total borrowings	**5,965**	**4,922**
Cash & cash equivalents	(1,205)	(755)
Cash not at free disposal of the Company	20	53
Net debt	**4,780**	**4,220**
Adjusted EBITDA (LTM)	1,531	1,484
Net leverage ratio (Net debt divided by adjusted EBITDA LTM)	**3.12x**	**2.84x**

Composition of Free cash flow

in EUR m	6M 2024	6M 2023
Net cash provided by operating activities	**467**	**140**
Purchases of property, plant and equipment	(138)	(115)
Purchases of intangibles	(14)	(11)
Free Cash Flow	**315**	**14**

Composition of Total liquidity

in EUR m	6M 2024	6M 2023
Cash and cash equivalents (excl. restricted cash)	**1,185**	**702**
Undrawn amount under RCF	1,500	1,500
Total liquidity	**2,685**	**2,202**

Composition of Tax expense

in EUR m	6M 2024	6M 2023
Reported income tax expense	**(151)**	**(76)**
Reported effective tax rate	29.5%	28.3%
Tax reserves, tax audit adjustments and reversals of previous recognised deferred tax assets	(6)	3
Tax effect on adjusting items	(9)	(52)
Underlying income tax expense	**(166)**	**(125)**
Underlying effective tax rate	31.1%	23.5%

Definitions

Adjusted EBIT

Adjusted EBIT is defined as profit for the period, adding back finance income, finance expense, share of net profit/(loss) of associates and income tax expense adjusted for Alternative Performance Measures as included in the consolidated financial statements for the year ended 31 December 2023 (Note 2.1). It provides a clearer picture of JDE Peet's ongoing profitability by eliminating the impact of FX, integration and M&A costs related to acquisitions and other exceptional items.

Adjusted depreciation and amortisation (adjusted D&A)

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

Adjusted EBITDA

Adjusted EBITDA is defined as operating profit before depreciation and amortisation, adjusted for the same factors as listed under adjusted EBIT. Adjusted EBITDA is used to evaluate the performance of JDE Peet's and its segments and is broadly used by analysts, investors and rating agencies. By excluding the adjusted items, the comparability of the operational results enhances and financial performance can be evaluated effectively.

Adjusted financial income and expenses

Adjusted financial income and expenses is defined as financial income and expense, adjusted for the effect of non-recurring items such as the settlement benefits of the derivatives related to the legacy financing structure in 2022.

Adjusted income tax expense

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

Adjusted gross profit
Adjusted gross profit is defined as reported gross profit adjusted for Alternative Performance Measures as included in the consolidated financial statements for the year ended 31 December 2023 (Note 2.1).

Free cash flow
Free cash flow is defined as net cash provided by operating activities less capital expenditure. Management believes this is a useful measure to provide additional insights into the cash generating capability of the company.

Net debt
Net debt is defined as total borrowings less cash and cash equivalents, excluding cash not at the free disposal of the company. This measure is used to evaluate the outstanding debt obligations.

Net leverage ratio
Net leverage ratio is defined as net debt divided by adjusted EBITDA of the last twelve months. This ratio helps to monitor capital headroom and is used by investors and other stakeholders to evaluate financial strength and funding requirements.

Organic change
Organic change is defined as the change of a financial metric, excluding any effects from changes in foreign exchange rates and/or from changes in scope & other. Management believes that the presentation of organic change is meaningful for investors to evaluate the performance of JDE Peet's' business activities over time.

Underlying profit
Underlying profit is defined as adjusted EBIT for the period including adjusted financial income and expenses, adjusted income tax expense and income from associates and joint ventures, adjusted for minority shareholders. Management believes that this metric provides a clear overview of JDE Peet's' ongoing profitability by eliminating exceptional and non-recurring expenses or income.