PRESS RELEASE

Amsterdam, 21 February 2024

JDE Peet's reports full-year results 2023

Strong H2 23, marking the return to the long-term profitability algorithm

Key items[1]

- Organic sales up +3.9% (H2 23: +4.3%), with positive volume/mix momentum in H2
- Organic adj. EBIT up +1.1% (H2 23: +5.5%); up more than 6% FY when excluding Russia's performance
- Organic adj. gross profit increased +2.9% (H2 23: +4.7%), from premiumisation and efficiencies
- Free cash flow of EUR 522 million and leverage of 2.7x, despite currency headwinds
- Underlying EPS of EUR 1.51, with strong operating result offset by fair value changes of derivatives & FX
- GHG emissions reduced by 9% in 2023, cumulating to -21% in Scope 1 & 2 and -9% in Scope 3 vs 2020
- Proposal to pay a cash dividend of EUR 0.70 per share in two equal instalments

A message from Fabien Simon, CEO of JDE Peet's

"We concluded 2023 with a very strong second semester, marked by an acceleration of JDE Peet's organic top line and adjusted EBIT growth. We are back to our long-term profitability algorithm, excluding Russia's performance. While the Coffee industry had been confronted with compounding disruptions over the last 3 years, our 2023 performance is the result of the agility and disciplined execution of the transformation we went through since 2021, to become a more global, more digital, and more sustainable company.

We are rediscovering the power of our brands. While we stepped-up investments, execution and innovation, we have brought back relevance for our consumers and customers. As a result, we have gained market shares globally in 2023 across the premium coffee categories of Single-Serve, Instant and Beans.

In 2023, JDE Peet's was recognised as an innovation leader (GlobalData), as well as an industry mover in sustainability (S&P Global). We brought industry-first innovation with home-recyclable paper packs for instant coffee, and are leading progress on deforestation by leveraging AI and inclusive ecosystems at origin countries.

We are holding ground in Europe, growing double-digit in China, and are accelerating our globalisation organically, and more recently inorganically in the largest global coffee markets in value (US) and in cups (Brazil).

Strengthening our fundamentals, our brands and our innovation capabilities is elevating our premium growth trajectory and brings confidence in our ability to create sustaining long-term shareholder returns and societal value."

[1] *This press release contains certain non-IFRS financial measures and ratios, which are not recognised measures of financial performance or liquidity under IFRS. For a reconciliation of these non-IFRS financial measures to the most directly comparable IFRS financial measures, see page 7 of this press release.*

Sustainability

We continued to achieve meaningful results for each of the three pillars of our Common Grounds programme, that embodies our ambition to positively impact people, our planet, and the future of coffee & tea, and is driven by our purpose "To unleash the possibilities of coffee & tea for a better future".

During the year, we made strong progress on our goal towards 100% responsibly sourced green coffee by 2025, reaching 83.8% (2022: 77%). By year end, we had a portfolio of 63 active projects, through which we have reached more than 108,000 additional smallholder farmers, bringing the total number of smallholder farmers we have reached since 2015, to 700,900. 100% of the palm oil we used in 2023 was responsibly sourced, and we are on track to reach our goal towards 100% responsibly sourced tea in 2025.

We also continued to make strong progress in reducing our footprint with a reduction of -21% in Scope 1 & 2 emissions and -9% in Scope 3 emissions versus base year 2020. We also substantially increased our sustainability ambitions by defining a comprehensive strategic plan to deliver on our long-term targets, including new and stronger SBTi goals to net-zero, and we have built an integrated carbon accounting platform to track and accelerate the delivery of our Sustainability objectives.

In 2023, our pay-equity gap remained below 1%, which is well under the future's EU directive's threshold of 5%, and 41% of all leadership positions within JDE Peet's were held by women.

Outlook 2024

JDE Peet's expects the following for 2024:

- Organic sales growth at the lower end of the medium-term range of 3 to 5%
- Mid-single-digit organic adjusted EBIT growth, excluding Russia's performance;
  Total company: low single-digit growth in H1 and mid-single-digit growth in H2
- Net leverage of around 3x (including Maratá and Caribou transactions) supported by Free Cash Flow above the level of FY 23
- A stable dividend

Dividend

JDE Peet's' Board proposes to pay a dividend of EUR 0.70 per share in cash related to FY 23. The dividend will be paid in two instalments of EUR 0.35 each. The first payment date will be on Friday, 12 July 2024, with the ex-dividend date on Monday, 8 July 2024 and the record date on Tuesday, 9 July 2024. The second payment date will be on Friday, 24 January 2025, with the ex-dividend date on Monday, 20 January 2025 and the record date on Tuesday, 21 January 2025. The dividend proposal is subject to approval by the Annual General Meeting of Shareholders to be held on Thursday, 30 May 2024.

FINANCIAL REVIEW FULL-YEAR 2023

in EUR m (unless otherwise stated)

	FY 2023	FY 2022	Organic change	Reported change
Sales	8,191	8,151	3.9%	0.5%
Adjusted EBIT	1,128	1,227	1.1%	-8.1%
Underlying profit for the period	734	936	—	-21.6%
Underlying EPS (EUR) [1, 2]	1.51	1.91	—	-20.9%
Reported basic EPS (EUR)	0.76	1.57	—	-51.6%

[1] Underlying earnings (per share) exclude all adjusting items (net of tax)

[2] Based on 485,747,602 shares (excluding treasury shares) outstanding at 31 December 2023 (2022: 485,235,677)

Total reported sales increased by 0.5% to EUR 8,191 million. Excluding a -3.7% effect related to foreign exchange and 0.3% related to scope and other changes, total sales increased by 3.9% organically. Organic sales growth reflects a price effect of 4.7% and a volume/mix effect of -0.8%. Volume/mix sequentially improved from -3.3% in H1 to 1.8% in H2. In-Home sales increased by 3.3% and sales in Away-from-Home increased by 6.4%.

Adjusted EBIT increased organically by more than 6%, excluding Russia's performance. Including Russia's performance, total adjusted EBIT increased organically by 1.1% to EUR 1,128 million supported by an organic increase in adjusted gross profit of 2.9%. In FY 23, the organic adjusted EBIT growth improved sequentially from -3.0% in H1 to 5.5% in H2. Including the effects of foreign exchange and scope/other, the adjusted EBIT decreased by 8.1%.

Underlying profit - excluding all adjusting items net of tax - benefited from stronger core operating performance (+7.8%) which was offset by fair value changes of derivatives & gains and losses in FX (of which the majority in 2023 is non-cash), translational FX results, and scope/other. Including these, the underlying profit decreased by 20.8% to EUR 734 million.

Net leverage was 2.73x (net debt to adjusted EBITDA), despite currency headwinds, with a net debt of EUR 3.9 billion on 31 December 2023.

Our liquidity position remains strong, with total liquidity of EUR 3.5 billion consisting of a cash position of EUR 2.0 billion and available committed RCF facilities of EUR 1.5 billion.

FINANCIAL REVIEW FULL-YEAR 2023 - BY SEGMENT

in EUR m (unless otherwise stated)

	Sales FY 2023	Reported change	Organic change	Adj. EBIT FY 2023	Reported change	Organic change
Europe	4,719	3.8%	4.0%	1,006	8.6%	8.6%
LARMEA	1,498	-7.3%	4.7%	147	-50.4%	-21.1%
Peet's	1,153	1.1%	3.9%	141	-4.0%	-1.0%
APAC	791	-2.9%	2.1%	135	9.7%	15.2%
Total JDE Peet's [1]	**8,191**	**0.5%**	**3.9%**	**1,128**	**-8.1%**	**1.1%**

[1] Includes EUR 30 million of sales and EUR (301) million adj. EBIT that are not allocated to the segments

Europe

Europe continued its sequential performance improvement in H2 23 with an increase in volume/mix of 5.2% and 2.6% in price. For the full year, organic sales growth of 4.0% was driven by an increase in price of 6.4% and a decrease in volume/mix of 2.4%. Notable strong performances were delivered in countries such as France, Switzerland and most Eastern European markets, and brands including L'OR, Jacobs and Senseo.

Reported sales increased by 3.8% to EUR 4,719 million, including a net negative effect of 0.2% from foreign exchange and changes in scope/other. Adjusted EBIT increased organically by 8.6% to EUR 1,006 million, driven by an increase in gross profit. Based on a 4-year CAGR, the organic adjusted EBIT growth was -2.7%.

LARMEA

Organic sales growth of 4.7% consisted of an increase in volume/mix of 2.7% and 2.0% in price. Most markets in LARMEA continued to perform well, which was partly offset by the brand transition of our main international brand in Russia to a local brand, and declining prices in Brazil as a result of lower green coffee prices.

Reported sales decreased by 7.3% to EUR 1,498 million, including a net negative effect of 12.0% from foreign exchange and changes in scope/other. Adjusted EBIT decreased organically by 21.1% to EUR 147 million, reflecting a high base of comparison, transactional forex impact and the brand transition in Russia. Excluding Russia's performance, the organic adjusted EBIT growth was positive. Based on a 4-year CAGR, the organic adjusted EBIT growth of LARMEA was 6.0%.

Peet's

Organic sales growth of 3.9% was driven by an increase of 2.1% in volume/mix and 1.8% in price. Same store sales and ticket size were up in Peet's coffee retail stores, and while the In-Home category in the US was softer, Peet's' CPG business held market shares.

Reported sales increased by 1.1% to EUR 1,153 million, which included a foreign exchange effect of -2.9%. Adjusted EBIT decreased organically by 1.0% to EUR 141 million, including higher investments in marketing spend. Based on a 4-year CAGR, the organic adjusted EBIT growth was 11.3%.

APAC

Organic sales growth of 2.1% was driven by an increase of 4.9% in price and -2.8% in volume/mix. Performance was geographically broad-based, with notable strong performances in countries such as Malaysia, Thailand and New Zealand, and from brands including Campos and OldTown.

Reported sales decreased by 2.9% to EUR 791 million, including a foreign exchange effect of -5.0%. Adjusted EBIT increased organically by 15.2% to EUR 135 million. Based on a 4-year CAGR, the organic adjusted EBIT growth was 2.8%.

OTHER INFORMATION

Underlying profit and earnings per share for the period

in EUR m	FY 2023	FY 2022
Adjusted EBIT	**1,128**	**1,227**
Adjusted net financial income/(expenses)	-143	-15
Adjusted income tax expense	-254	-286
Adjusted for minorities	3	10
Underlying profit for the period	**734**	**936**
Time-weighted average number of ordinary shares	485,747,602	490,787,276
Underlying earnings per share (in EUR)	**1.51**	**1.91**

CONFERENCE CALL & AUDIO WEBCAST

Fabien Simon (CEO) and Scott Gray (CFO) will host a conference call for analysts and institutional investors at 10:00 AM CET today to discuss the full-year 2023 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 financial statements of JDE Peet's N.V. (the "Company") and its consolidated subsidiaries (the "Group") 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 the consolidated financial statements of the Group as of, and for, the year ended 31 December 2022 and the related notes thereto. All figures in these materials are unaudited. In preparing the financial information included in these materials, most numerical figures are presented in millions of euro. Certain figures in these materials, including financial data, have been rounded. In tables, negative amounts are shown in parentheses. Otherwise, negative amounts are shown by "-" or "negative" before the amount.

Forward-looking statements

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

Market and industry data

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

Responsible sourcing

***Responsibly sourced green coffee**: refers to green coffee covered by a sustainability scheme recognised by the coffee industry, such as GCP Equivalence Mechanism, including, Enveritas, Rainforest Alliance, 4C, Fairtrade, etc.*
***Responsibly sourced palm oil**: refers to purchased palm oil with Roundtable on Sustainable Palm Oil (RSPO) certification.*
***Responsibly sourced tea**: responsibly sourced tea (Camellia sinensis) and rooibos (Aspalathus linearis) refer to the tea (processed tea from sensitive origin) and rooibos purchased or manufactured by JDE Peet's for which the supplier has been independently audited by a recognised third party as meeting its sustainability requirements. These third parties may include, but are not limited to, Rainforest Alliance/UTZ, Fairtrade, ETP, Enveritas, etc.*
For more information on the responsible sourcing pillar of Common Grounds, the Company's sustainability programme, please visit www.jdepeets.com/sustainability

NON-IFRS MEASURES

These materials contain non-IFRS financial measures (the Non-IFRS Measures), which are not liquidity or performance measures under IFRS. These Non-IFRS Measures are presented in addition to the figures that are prepared in accordance with IFRS. The Group's use of Non-IFRS Measures may vary significantly from the use of other companies in its industry. The measures 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. For further information on Non-IFRS Measures, see below the definitions and adjusted EBIT as described in segment information in the condensed consolidated unaudited financial statements.

IFRS RECONCILIATION

in EUR m	Reported sales	Adjusting items	Reported sales	FX impact	Scope & other	Organic sales
Sales	8,191	—	8,191	303	-24	8,470

in EUR m	Gross profit[2]	Adjusting items	Adjusted gross profit	FX impact	Scope & other	Organic adjusted gross profit
GP to organic adjusted GP	3,018	33	3,051	129	-4	3,176

in EUR m	Operating profit	Adjusting items	Adjusted EBIT	FX impact	Scope & other	Organic adjusted EBIT
Operating profit to adj. EBIT	685	443	1,128	68	63	1,259

in EUR m	Operating profit	Adjusting items	Adjusted EBIT	Adjusted D&A	Adjusted EBITDA
Operating profit to adj. EBITDA	685	443	1,128	298	1,426

in EUR m	FY 2023	FY 2022
Adjusted EBIT	**1,128**	**1,227**
ERP system implementation	-7	-8
Transformation activities and corporate actions	-126	-67
Share-based payment expense	-44	-37
Mark-to-market results	39	-54
Amortisation of acquired intangible assets and M&A/Deal costs	-305	-112
Operating profit	**685**	**949**

[2] Gross profit is determined as the reported sales minus the reported cost of sales.

in EUR m	FY 2023	FY 2022
Reported income tax expense	**-173**	**-257**
Reported effective tax rate	**32.2 %**	**25.2 %**
Adjustments:		
Tax reserves, tax audit adjustments and reversals of previous recognised deferred tax assets	5	3
Tax effect on adjusting items	-86	-32
Underlying income tax expense	**-254**	**-286**
Underlying effective tax rate	**25.8 %**	**23.6 %**

Definitions financial information

Adjusted depreciation and amortisation (adjusted D&A)

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

Adjusted EBITDA

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

Adjusted EBIT

Adjusted EBIT are defined as profit for the period, adding back finance income, finance expense, share of net profit of associates and income tax expense adjusted for alternative performance measures as included in the consolidated financial statements for the year ended 31 December 2022 (Note 2.1).

Adjusted gross profit

Adjusted gross profit is defined as reported gross profit adjusted for alternative performance measures as included in the consolidated financial statements for the year ended 31 December 2022 (Note 2.1).

Adjusted income tax expense

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

Adjusted 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.

Away-from-Home

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

In-Home

Packaged coffee & tea products purchased for consumption at home.

Free cash flow

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

Net debt

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

Net leverage ratio

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

Organic adjusted EBIT

Organic adjusted EBIT is defined as adjusted EBIT translated at the prior year average foreign exchange rate and adjusted for scope changes (a.o. M&A, divestitures and new business ventures[3]) and other items. To determine organic adjusted EBIT in a given year, adjusted EBIT in that year is translated at the average foreign exchange rate of the comparable year and excludes adjusted EBIT from acquired/divested companies until 12 months following the transaction date.

Organic adjusted gross profit

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

Organic adjusted selling, general and administrative expenses

Organic adjusted selling, general and administrative ("SG&A") expenses are defined as reported SG&A expenses translated at the prior year average foreign exchange rate and adjusted for scope changes (a.o. M&A and divestitures) and adjusted for alternative performance measures as included in the consolidated financial statements for the year ended 31 December 2022 (Note 2.1).

Organic sales

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

Organic sales growth

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

Total liquidity

JDE Peet's considers total liquidity to be the available cash and cash equivalents recognised on the balance sheet (excluding restricted cash) and the undrawn amount under the revolving credit facility.

Underlying effective tax rate

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

Underlying income tax expense

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

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[3] *New business ventures are defined as new products or services launched in new markets or unique new categories for the company. Similar, to divestments and acquisitions, the performance of new business ventures are excluded from organic metrics for 12 months following the launch date.*

Underlying profit

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

Definitions non-financial information

GHG emissions

Greenhouse Gas emissions

Scope 1 GHG emissions

The sum of all on-site GHG emissions at JDE Peet's' manufacturing facilities which arise from combustion processes used to manufacture products. This indicator corresponds to Scope 1 of the GHG Protocol. GHG included in the calculation are CO_2, CH_4, N_2O, HFCs, PFCs, SF_6 and NF_3.

Scope 2 GHG emissions

GHG emissions arising from the generation of electricity, heating, cooling and steam which is purchased by JDE Peet's manufacturing facilities or otherwise brought into our organisational boundaries. This indicator corresponds to Scope 2 of the GHG Protocol. GHG included in the calculation are CO_2, CH_4, N_2O, HFCs, PFCs, SF_6 and NF_3.

Scope 3 GHG emissions

Are the result of activities from assets not owned or controlled by the organization, but that the organization indirectly affects in its value chain. Scope 3 emissions include all sources not within an organization's scope 1 and 2 boundary. These cover both upstream and downstream value chains, and are reported in line with the GHG protocol, using the operational control approach.

Responsibly sourced green coffee

Responsibly sourced green coffee covered by a sustainability scheme recognised by the coffee industry, such as GCP Equivalence Mechanism, including, Enveritas, Rainforest Alliance, 4C, Fairtrade, etc.

Responsibly sourced palm oil

Direct responsibly sourced palm oil refers to the purchased palm oil with Roundtable on Sustainable Palm Oil (RSPO) certification.

Responsibly sourced tea

Responsibly sourced tea (Camellia sinensis) and rooibos (Aspalathus linearis) refer to the tea (processed tea from sensitive origin) and rooibos purchased or manufactured by JDE Peet's for which the supplier has been independently audited by a recognised third party as meeting its sustainability requirements. These third parties may include, but are not limited to, Rainforest Alliance/UTZ, Fairtrade, ETP, Enveritas, etc.

SBTi

Science Based Targets initiative.

Pay equity-gap

The average difference between the pay of all men and all women, after taking into account factors such as the level of each role and pay differences by work location.

JDE PEET'S N.V.

CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2023 AND 31 DECEMBER 2022

In EUR million, unless stated otherwise

	NOTE	FY 2023	FY 2022
Revenue	5	8,191	8,151
Cost of sales	6	(5,173)	(5,146)
Selling, general and administrative expenses	6	(2,333)	(2,056)
Operating profit		**685**	**949**
Finance income	8	104	68
Finance expense	8	(247)	1
Share of net loss of associates		(5)	—
Profit before income taxes		**537**	**1,018**
Income tax expense	9	(173)	(257)
Profit for the period		**364**	**761**

ATTRIBUTABLE TO:	NOTE	FY 2023	FY 2022
Owners of the parent		367	771
Non-controlling interest		(3)	(10)
Profit for the period		**364**	**761**
Earnings per share:			
Basic earnings per share (in EUR)	7	0.76	1.57
Diluted earnings per share (in EUR)	7	0.75	1.55

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2023 AND 31 DECEMBER 2022

In EUR million

	FY 2023	FY 2022
Profit for the period	364	761
Other comprehensive income/(loss), net of tax:		
Items that will not be reclassified to profit or loss		
Retirement benefit obligation related items, net of tax	(28)	10
Items that may be subsequently reclassified to profit or loss		
Foreign currency translation	(95)	52
Net investment hedge	14	(27)
Effective portion of cash flow hedges	31	(46)
Other comprehensive income/(loss)	**(78)**	**(11)**
Total comprehensive income/(loss) for the period	**286**	**750**
Attributable to:		
Owners of the parent	281	770
Non-controlling interest	5	(20)
Total comprehensive income/(loss) for the period	**286**	**750**

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AT 31 DECEMBER 2023 AND 31 DECEMBER 2022

In EUR million

	31 December 2023	31 December 2022
Non-current assets:		
Goodwill and other intangible assets	16,717	17,084
Property, plant and equipment	1,719	1,740
Deferred income tax assets	49	35
Derivative financial instruments	16	46
Retirement benefit asset	432	413
Other non-current assets	72	86
	19,005	**19,404**
Current assets:		
Inventories	1,248	1,356
Trade and other receivables	729	828
Derivative financial instruments	57	28
Income tax receivable	36	24
Net assets held-for-sale	18	19
Cash and cash equivalents	2,048	967
	4,136	**3,222**
Total assets	**23,141**	**22,626**
Equity and liabilities		
Equity:		
Share capital	5	5
Share premium	9,585	9,997
Treasury stock	(38)	(471)
Other reserves/(deficits)	(375)	(313)
Retained earnings	1,858	1,834
Equity attributable to the owners of the Company	**11,035**	**11,052**
Non-controlling interest	80	80
	11,115	**11,132**
Non-current liabilities:		
Borrowings	5,388	4,888
Retirement benefit liabilities	170	149
Deferred income tax liabilities	1,226	1,265
Derivative financial instruments	41	0
Provisions	36	33
Other non-current liabilities	107	110
	6,968	**6,445**
Current liabilities:		
Borrowings	527	79
Trade and other payables	4,225	4,704
Income tax liability	81	88
Provisions	68	39
Derivative financial instruments	157	139
	5,058	**5,049**
Total equity and liabilities	**23,141**	**22,626**

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2023 AND 31 DECEMBER 2022

In EUR million	Share capital	Share premium	Treasury stock	Retirement Benefit Obligation Related Items	Currency Translation Reserve	Cash flow hedge reserve	Total Other Comprehensive Income	Share-based payments reserve	Retained Earnings	Total equity attributable to the shareholders of the Company	Non-controlling interest	Total Equity
Balance at 31 December 2021	**5**	**9,975**	**—**	**280**	**(684)**	**25**	**(379)**	**39**	**1,383**	**11,023**	**138**	**11,161**
Application of hyperinflationary accounting	—	—	—	—	—	—	—	—	31	31	11	42
Balance at 1 January 2022	**5**	**9,975**	**—**	**280**	**(684)**	**25**	**(379)**	**39**	**1,414**	**11,054**	**149**	**11,203**
Profit for the period	—	—	—	—	—	—	—	—	771	771	(10)	761
Retirement benefit obligation	—	—	—	10	—	—	10	—	—	10	—	10
Foreign currency translation	—	—	—	(14)	76	—	62	—	—	62	(10)	52
Foreign currency contracts	—	—	—	—	—	(46)	(46)	—	—	(46)	—	(46)
Net investment hedge	—	—	—	—	(27)	—	(27)	—	—	(27)	—	(27)
Total Comprehensive Income/(Loss)	**—**	**—**	**—**	**(4)**	**49**	**(46)**	**(1)**	**—**	**771**	**770**	**(20)**	**750**
Share-based payment transactions	—	—	—	—	—	—	—	28	—	28	—	28
Dividends	—	—	—	—	—	—	—	—	(339)	(339)	(1)	(340)
Share buyback transaction [1]	—	—	(500)	—	—	—	—	—	—	(500)	—	(500)
Issuance of shares	—	22	29	—	—	—	—	—	—	51	—	51
Other transactions with shareholders [2]	—	—	—	—	—	—	—	—	(12)	(12)	(48)	(60)
Balance at 31 December 2022	**5**	**9,997**	**(471)**	**276**	**(635)**	**(21)**	**(380)**	**67**	**1,834**	**11,052**	**80**	**11,132**

[1] *JDE Peet's repurchased EUR 500 million of ordinary shares from Mondelēz International Holdings Netherlands B.V. during the first half year of 2022.*

[2] *Includes acquired shares of two non-controlling interests by JDE Peet's during the year 2022.*

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

During the Annual General Meeting of Shareholders on 25 May 2023, a dividend of EUR 0.70 per share was approved, payable in two instalments of EUR 0.35 on 14 July 2023 and 26 January 2024. The dividend payable at 31 December 2023 amounted to EUR 170 million, which was recognised within Trade and other payables.

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2023 AND 31 DECEMBER 2022

In EUR million	**FY 2023**	**FY 2022**
Profit for the period	364	761
Adjustments for:		
Depreciation, amortisation and impairments	638	417
Defined benefit pension expense	(19)	5
Share-based payments	43	33
(Gain) / loss on sale of property, plant and equipment and intangible assets	6	23
Income tax expense	173	257
Interest income on bank accounts and other	(91)	(64)
Interest expense	94	85
Provision charges	57	28
Derivative financial instruments	125	(332)
Foreign exchange (gains) / losses	(45)	263
Other	1	13
Changes in operating assets and liabilities:		
Inventories	79	(470)
Trade and other receivables	116	(142)
Trade and other payables	(478)	985
Pension payments	(9)	(8)
Payments of provisions	(26)	(13)
Realised foreign exchange (gains) / losses	67	(249)
Receipts / (payments) of derivative financial instruments	(53)	252
Income tax payments	(219)	(238)
Net cash provided by operating activities	**823**	**1,606**
Cash flows from investing activities:		
Purchases of property, plant and equipment	(272)	(239)
Purchases of intangibles	(29)	(9)
Proceeds from sale of property, plant and equipment and intangible assets	2	10
Acquisition of businesses, net of cash acquired	(6)	(127)
Loans provided	(2)	5
Interest received	84	64
Other investing activities	(3)	3
Net cash used in investing activities	**(226)**	**(293)**
Cash flows from financing activities:		
Additions to borrowings	989	171
Repayments from borrowings	(89)	(295)
Share buy-back transaction	—	(500)
Receipts from / (payments to) derivative financial instruments	(1)	69
Dividend paid to shareholders	(341)	(345)
Interest paid	(66)	(68)
Investments / (divestments) by non-controlling shareholders	13	(33)
Other financing activities	(14)	(19)
Net cash used in financing activities	**491**	**(1,020)**
Effect of exchange rate changes on cash	(7)	11
Net increase/(decrease) in cash and cash equivalents	**1,081**	**304**
Cash and cash equivalents – at the start of period	967	662
Adjustment for hyperinflationary accounting	—	1
Cash and cash equivalents — as of 31 December [1]	**2,048**	**967**

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

[1] *Cash and cash equivalents include restricted cash of EUR 23 million at 31 December 2023 (2022: EUR 50 million).*

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS AND BASIS OF PREPARATION

JDE Peet’s N.V. (the “Company” or together with its subsidiaries “JDE Peet's”) is a public limited liability company under the laws of the Netherlands. The Company was incorporated on 21 November 2018 and is a public limited liability company (naamloze vennootschap, N.V.) listed on Euronext Amsterdam. The Company is the holding company of JACOBS DOUWE EGBERTS B.V. (“JDE” or “JDE Group”) and Peet’s Coffee & Tea, Inc. (“Peet’s”) through a number of indirect holding companies.

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

Basis of preparation

The Company prepared these condensed consolidated unaudited financial statements in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and in conformity with the Dutch Civil Code. Based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis.

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

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

Functional and presentation currency

These condensed consolidated unaudited financial statements are presented in Euros, which is the Company’s functional currency. All financial information presented in Euros has been rounded to the nearest million unless stated otherwise.

Use of estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these interim financial statements, the significant judgements made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements at and for the year ended 31 December 2022, with the addition of significant judgments relating to the assessment of control of some of its subsidiaries.

2. ACCOUNTING POLICIES

The condensed consolidated unaudited financial statements should be read in conjunction with the consolidated financial statements of JDE Peet's at and for the fiscal year ended 31 December 2022, which were prepared in accordance with, and comply, in all material respects, with International Financial Reporting Standards as adopted by the European Union (“IFRS”).

Segment information

On 25 April 2023, JDE Peet's announced the combination of the CPG Europe and Out-of-Home segments into one European segment ("Europe"). The relevant changes in the reporting structure came substantially into effect during the year 2023. The comparative figures reported at 31 December 2022 were restated to align with the new segment structure. The other segments remained unchanged.

New Standards, Amendments and Interpretations effective on or after 1 January 2023

The following new accounting standards and interpretations effective for accounting periods beginning on or after 1 January 2023 have been applied to the financial statements of JDE Peet's for the year ended 31 December 2023, where applicable:

- IFRS 17 Insurance Contracts;
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Making Materiality Judgements— Disclosure of Accounting Policies;
- Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- Amendments to IAS 12 Income Taxes—International Tax Reform—Pillar Two Model Rules;
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates.

3. FINANCIAL RISKS

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

Fair values

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

The following table presents the assets and liabilities of JDE Peet's that are measured at fair value at 31 December 2023 (in EUR million):

	Level 1	Level 2	Level 3	Total
Assets				
Interest rate contracts	—	15	—	15
Foreign exchange contract	—	56	—	56
Commodity contracts	2	—	—	2
Total assets	**2**	**71**	**—**	**73**
Liabilities				
Unsecured notes - EU	4,088	—	—	4,088
Unsecured notes - US	1,581	—	—	1,581
Borrowings	—	246	—	246
Share-based payment liability	—	—	8	8
Management-owned shares liability	—	—	26	26
Interest rate contracts	—	25	—	25
Foreign exchange contracts	—	76	—	76
Commodity contracts	3	—	—	3
Total return equity swaps	—	94	—	94
Total liabilities	**5,672**	**441**	**34**	**6,147**

There were no transfers between different levels during the year ended 31 December 2023 and there were no changes in relation to 31 December 2022 with regards to the inputs and valuation techniques in determination of the fair values.

Update on the war in Ukraine

JDE Peet's continuously monitors developments related to the war in Ukraine. Since the start of the conflict, the Company's first priority has been, and continues to be, the safety and well-being of its employees in the region. In addition, the Company has continued to monitor EU and other applicable sanctions. It has not authorised new capital investments to increase factory capacity or expansion, and all cash dividend payments from the Russian business were cancelled. JDE Peet's has discontinued investments in advertising and promotion of its international brands and stopped selling Jacobs products in the Russian market, which resulted in an impairment of EUR 185 million in the first half year of 2023. The factory based in Russia produces primarily on a local-for-local basis.

Since the start of the war, the Company has sought to ensure that its business in Russia is operated as a stand-alone business to the greatest extent reasonably possible. Triggered by its stand-alone business operation and changing (sanction) regulations, JDE Peet's continued to assess whether it remained control over its Russian operations in accordance with IFRS 10 and concluded that it continued to have control over its Russian operations at 31 December 2023.

New sanctions were published by the EU in December 2023 and certain aspects of these sanctions will be in effect as of 20 June 2024. These may affect the assessment regarding control and therefore will be considered in the review for the financial year 2024 onwards.

4. SEGMENT INFORMATION

On 25 April 2023, JDE Peet's announced the combination of the CPG Europe and Out-of-Home segments into one European segment ("Europe"). The other segments remained unchanged. The relevant changes in the reporting structure came substantially into effect during the year ended 31 December 2023. The comparative figures were restated to align with the new segment structure.

The segment information is presented for the year ended 31 December (all amounts in EUR million, in line with Note 2.1 of the consolidated financial statements at and for the fiscal year ended 31 December 2022):

Revenue	FY 2023	FY 2022 restated
Europe	4,719	4,548
LARMEA	1,498	1,616
Peet's	1,153	1,141
APAC	791	814
Unallocated	30	32
Total	**8,191**	**8,151**

The CODM, the Company's CEO, reviews segment profitability based on adjusted EBIT. There are no intersegment revenues. For further details on adjusted EBIT, reference is made to Note 2.1 of the consolidated financial statements for the year ended 31 December 2022. As a result of the combination of CPG Europe and Out-of-Home, restructuring expenses were recognised included under 'Transformation activities and corporate actions' in the table below.

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

	FY 2023	FY 2022 restated
Europe	1,006	926
LARMEA	147	296
Peet's	141	147
APAC	135	123
Unallocated	(301)	(265)
Adjusted EBIT	**1,128**	**1,227**
ERP system implementation	(7)	(8)
Transformation activities and corporate actions [1]	(126)	(67)
Share-based payment expense	(44)	(37)
Mark-to-market results	39	(54)
Amortisation acquired intangible assets and M&A/Deal costs [2]	(305)	(112)
Operating profit	**685**	**949**
Finance income	104	68
Finance expense	(247)	1
Share of net loss of associates	(5)	—
Profit before income taxes	**537**	**1,018**

[1] *Transformation activities and corporate actions include EUR 108 million of expenses related to the restructuring of the Europe omni-channel segment and the severance and non-cash impairment related to the intended closure of the instant processing and R&D facilities in Banbury, UK.*

[2] *Amortisation acquired intangible assets and M&A/Deal costs consistently includes amortisation related to intangible assets recognised or remeasured as part of purchase price allocations. In 2023, a non-cash impairment of the Jacobs brand was recognised for an amount of EUR 185 million and a loss on disposal of businesses for an amount of EUR 4 million (2022: nil).*

In 2023, EUR 410 million of the adjusting items (2022: EUR 214 million) was recognised in selling, general and administrative expenses and EUR 33 million (2022: EUR 64 million) in cost of sales.

Adjusted EBIT of the segments includes depreciation, which amounted to EUR 298 million (2022: EUR 303 million):

	FY 2023	FY 2022 restated
Europe	137	125
LARMEA	16	25
Peet's	82	80
APAC	33	33
Unallocated	30	40
Total	**298**	**303**

Entity-wide disclosures:

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

	FY 2023	FY 2022
United States	13%	14%
France	12%	11%
Germany	10%	10%
Netherlands	9%	8%
Rest of World	56%	57%
Total Revenue	**100%**	**100%**

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

5. REVENUE

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

	FY 2023	FY 2022
Coffee	84%	85%
Tea	3%	3%
Other food and beverage	11%	11%
Services	2%	1%
Total	**100%**	**100%**

6. EXPENSES BY NATURE

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

	FY 2023	FY 2022
Cost of product [1]	4,213	4,248
Employee benefits expense [2]	1,270	1,242
Other selling, general and administrative expenses [3]	1,333	1,286
Depreciation, amortisation and impairment	638	417
Restructuring and restructuring related expenses	52	9
Total	**7,506**	**7,202**

1 *Cost of product mainly consists of raw materials (green coffee beans, tea leaves and other materials) for 66% (2022: 71%), packaging 13%, (2022: 12%), coffee taxes 4% (2022: 4%), outsourced production services 3% (2022: 3%) and inbound freight 2% (2022: 2%).*

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

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

7. EARNINGS PER SHARE

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

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

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

	FY 2023	FY 2022
Earnings for the purposes of basic earnings per share being net profit attributable to owners of the Company (in EUR million)	**367**	**771**
Number of shares		
Time-weighted average number of ordinary shares for the purposes of basic earnings per share	485,747,602	490,787,276
Adjustments for the calculation of diluted earnings per share: Share-based payment plans	6,075,375	6,294,600
Time-weighted average number of ordinary shares for the purposes of diluted earnings per share	**491,822,977**	**497,081,876**
Basic EPS (in EUR)	0.76	1.57
Diluted EPS (in EUR)	0.75	1.55

The total number of shares outstanding (excluding treasury shares) at 31 December 2023 was 486,042,837 (2022: 485,235,677). At 31 December 2023, the Company held 1,403,020 shares in Treasury Stock (2022: 17,510,180).

8. FINANCE INCOME AND EXPENSE

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

	FY 2023	FY 2022
Interest income	91	64
Interest expense [1]	(94)	(85)
Net financing cost of financial debt	**(3)**	**(21)**
Interest income on plan assets	75	40
Interest expense on defined benefit obligation	(62)	(36)
Total pension finance (expense)/income	**13**	**4**
Foreign exchange gain/(loss)	45	(263)
Change in fair value of derivative financial instruments	(195)	348
Fair value changes financial liabilities	(3)	4
Net monetary gain/(loss)	—	(3)
Total other	**(153)**	**86**
Net finance income / (expense)	**(143)**	**69**

[1] *Interest expense primarily includes interest on unsecured notes (2023: EUR 45 million; 2022: EUR 42 million, lease liabilities (2023: EUR 9 million; 2022: EUR 9 million), bank overdrafts (2023: EUR 4 million; 2022: EUR 4 million), amortisation expenses (2023: EUR 6 million; 2022: EUR 6 million) and interest rate swaps (2023: EUR 0 million; 2022: EUR 13 million).*

9. INCOME TAX

In 2023, JDE Peet's' income tax expense amounted to EUR 173 million and the profit before tax amounted to EUR 537 million, resulting in an effective tax rate of 32.2% (2022: 25.2%). This is 7.0% higher than last year, which is primarily driven by the impairment charge of the Jacobs brand, higher restructuring and organisational redesign costs and change in fair value of derivative financial instruments.

10. GOODWILL AND OTHER INTANGIBLE ASSETS

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

In line with its objective of transitioning the portfolio of its branded products for sale in Russia solely to local brands, JDE Peet’s decided to transition the international Jacobs brand in the Russian market to the local Monarch brand. The rebranding of the Jacobs brand in Russia triggered a reassessment of the recoverable amount of this indefinitely lived intangible asset to EUR 1,048 million, which resulted in an impairment of EUR 185 million during 2023. After this impairment the brand value allocated to Russia was nil and consequently reduced the carrying value of the LARMEA segment, the level at which goodwill is tested for the countries within that segment.

Management performed sensitivity analyses around the key assumptions. Management believes that no reasonable possible changes in key assumptions would cause, in isolation, the recoverable amount of the significant cash generating units to be less than the carrying value. Special consideration was given to the value of the Russian business within the LARMEA segment and specific analyses were performed, which did not change the above conclusion.

11. BORROWINGS

The Group’s borrowing facilities through the year ended 31 December 2023 are summarised in the following tables (in EUR million):

	Currency	31 December 2022	Unwinding discount	Additions	Repaid	Amortisation	Recognition of lease liability	Currency translation	31 December 2023
Unsecured notes - EU	EUR	3,091	—	995	—	2	—	—	4,088
Unsecured notes - US	USD	1,629	—	—	—	1	—	(49)	1,581
JDE: Other financing	Various	14	—	—	(3)	—	—	(3)	8
Leases	Various	256	12	—	(86)	(5)	91	(7)	261
Unamortised discounts and costs		(23)	—	(6)	—	6	—	—	(23)
Total borrowings		**4,967**	**12**	**989**	**(89)**	**4**	**91**	**(59)**	**5,915**
Non-current		4,888							5,388
Current		79							527

12. POST EMPLOYMENT AND OTHER LONG TERM EMPLOYEE BENEFIT PLANS

JDE Peet's updated the actuarial valuations of it defined benefit plans at 31 December 2023.

The retirement benefit asset of EUR 432 million at 31 December 2023 represents the net asset of the plans in the United Kingdom and increased EUR 19 million compared to 31 December 2022. The increase was mainly driven by net interest income of EUR 18 million (2022: 7 million), plan amendment benefit of EUR 11 million (2022: nil), actuarial losses of EUR 21 million (2022: EUR 71 million) and EUR 9 million (2022: EUR -23 million) translation of the net asset position from British Pound to Euro.

The retirement benefit liabilities increased from EUR 149 million at 31 December 2022 to EUR 170 million at 31 December 2023, mainly from actuarial losses of EUR 16 million (2022: benefit of EUR 105 million), net interest expense of EUR 5 million (2022: EUR 3 million).

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

	31 December 2023		31 December 2022	
	UK	Germany	UK	Germany
Discount rate	4.50%	3.20%	4.80%	3.70%
Indexation rate inactive participants - deferred	2.75%	N/A	2.90%	N/A
Indexation rate inactive participants - pensioners	2.75%	2.00%	3.25%	2.00%
Inflation rate	3.20%	2.50%	3.40%	2.50%
Future salary increases	N/A	2.75%	N/A	2.75%

13. SUBSEQUENT EVENTS

On 5 January 2024, JDE Peet's successfully completed the acquisition of the Brazilian coffee & tea business Maratá from JAV Group for a total purchase consideration of BRL 3,350 million before closing adjustments of approx. BRL 400 million (net of cash acquired), which was first announced on 24 July 2023. The acquisition expanded JDE Peet's' emerging markets presence.

Maratá's coffee & tea business is predominantly present in the northern part of Brazil through its long-standing and well-known brands Café Maratá and Chá Maratá. The business employs around 1,200 employees, operates two manufacturing plants and reported around BRL 1.3 billion annual average sales for the last two years.

On 18 January 2024, JDE Peet's announced it has signed a long-term global license agreement to manufacture, market and sell Caribou consumer and foodservice coffee products, excluding Caribou coffeehouses for a total consideration of USD 260 million. The transaction, which is expected to close in the first quarter of 2024, provides JDE Peet's a strong platform to expand its premium coffee portfolio in North America.

Under the terms of the agreement, JDE Peet's will acquire Caribou's roasting operations in Minneapolis, Minnesota. The two companies have also reached a long-term strategic arrangement under which JDE Peet's will supply coffee products for sale in Caribou's coffeehouses.

A COFFEE & TEA FOR EVERY CUP