



Heineken sells its Russian operations for R20

by: **Andy Hoffman (bloomberg)**

Heineken said it completed a deal to sell its assets and leave Russia, becoming one of the few consumer companies to successfully withdraw since Vladimir Putin's government shifted rules to make exiting the country more difficult.

The Dutch firm sold its operations, including seven breweries, to Russia-based packaging and consumer goods business Arnest Group for €1 (R20) in a deal that will result in a €300 million (R6 billion) loss. The transaction has received all required approvals, Heineken said in a statement and concludes a process started in March 2022.

There is no buyback or call option to return to Russia, and the sale and financial loss will have a "negligible impact" on Heineken's earnings per share, the company said. Its full-year outlook won't change, it said.

Putin's signing of a decree in April that allows for temporary state control over the assets of companies or individuals from unfriendly states — which includes the US and its allies — has complicated efforts by top consumer companies to exit Russia. Heineken's successful departure stands in contrast to rival Carlsberg A/S, which saw plans to sell its business in the country upended by the government's seizure of operations in July. Meanwhile, Anheuser-Busch InBev continues to hold an interest in a Russian beer maker.

Heineken has been facing pressure from consumers to leave Russia, which had accounted for about 2% of global sales, and had stated its intention to do so more than a year ago without profiting from a transaction. In April it said it had submitted an application for approval with the Russian government to sell the business. It previously recorded total impairment losses of €210 million related to its Russia operations.

The new owner won't have the right to sell the Heineken brand in Russia under the terms of the deal, the CEO said, and the Amstel brand will also be removed from the market. "Our intention was to pull as many international brands out as possible so we're very happy that the Amstel brand, which is the second largest brand, is coming out," he said.

The Russian buyer will also assume about €100 million in debt related to the Heineken operations. Heineken's Russia operations made losses for six of the last eight years, according to the company.

This and That

London plans to extend its Ultra-Low Emission Zone this week to reduce pollution, however, a third of London businesses are concerned that the daily toll will have a negative impact on their employees. London mayor Sadiq Khan announced increased financial support for owners of more polluting vehicles affected by the scheme.

Woolworths profits shoot up as it dumps David Jones – and locals flock to Woolies Food.

"The disposal of David Jones is a major milestone in repositioning our group for growth. As a result of this transaction, we have unlocked R7.7 billion in value for shareholders since 2022, and more importantly, can now reallocate both our capital and management attention towards the more value-accretive initiatives across the group's core Woolworths and Country Road Group businesses," Woolworths said.

Emperor penguins in Antarctica have experienced unprecedented breeding failure as a result of sea ice loss. In one region of Antarctica where there was total sea ice loss in 2022, chicks from four out of five colonies perished. The findings support predictions that over 90% of emperor penguin colonies will be quasi-extinct by the end of the century.



Dutch to return stolen colonial-era treasures to Sri Lanka. The first batch set to return to Sri Lanka - under a 2021 Dutch policy to restore cultural objects stolen from former colonies - includes Lewke's Cannon. Believed to have been a gift from Sri Lankan aristocrat Lewke Disava to the king of Kandy around 1745-46, it was seized by Dutch troops in 1765.



The most valuable companies in 2023 by market cap

Originally published on Visual Capitalist Market capitalisation (market cap) is one measure of a company's value as determined by the stock market. While market cap is a simple way to compare publicly-traded companies, it does have some limitations. Most importantly, it does not include debt or cash in the calculation. According to an article by Visual Capitalist, the majority of the most valuable companies are American.

COUNTRY BREAKDOWN

TOP 50 COMPANIES BY MARKET CAP

