JAB
Holding Company

Half Year Report 2022

Table of Contents

Half-Year 2022 - Highlights & Results
Page 5

About this report

This Half Year Report sets out JAB Holding Company S.à r.l.'s ('JAB Holding Company') consolidated results and developments in the first half-year of 2022, and was prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. This Report provides an update to the earlier published Integrated Annual Report 2021. The Integrated Annual Report 2021 is in accordance with the International Integrated Reporting Council (IIRC) which includes elements from the Corporate Sustainability Reporting Directive (CSRD) as adopted by the European Union, as well the Global Reporting Initiative (GRI) Standards (referenced option).

This Report summarizes how we create value for our shareholders over time, as well as how we strive to make a positive impact on the planet and society as a whole.

To meet the specific needs of our stakeholders, we publish an extended report on annual basis which further details, deep-dives and reflects on our ESG strategy and commitments.

Details on the value creation strategy can be found in the following sections:

JAB at a Glance
Page 4

Half-Year 2022 - Highlights & Results
Page 5

Platform Investing Philosophy
Page 14

How we create Sustainable Compounding Returns
Page 16

Governance
Page 24

JAB at a Glance

JAB Holding Company

Evergreen Capital Structure

Consumer Sector Focus

Investment Grade Ratings from both Moody's and S&P

JAB

A unique partnership of long-term investors in consumer goods & services

JCP

High Quality Investor Group

Invests Alongside JAB Holding Company

Raised $20bn+ in Committed Capital

$50bn+ *Managed Capital*	**50+** *Investment & industry professionals*	**6** *Global Offices*
Unique Platform Investing Approach	*Strong ESG Commitments*	*Attractive Compounding Returns*

Keurig Dr Pepper · JDE Peet's · Panera Brands · Espresso House · Pret · Krispy Kreme · NVA · Independence Pet Group · Pinnacle Pet Group · Coty · Bally

Investment Grade Rated since 2014

S&P Global Ratings

S&P: BBB+ with stable outlook

Moody's Investors Service

Moody's: Baa2 with stable outlook

Strong ESG Progress

60%

Portfolio companies by fair value have approved SBTi targets in place and/or committed to SBTi

2 SLBs issued

JAB issued a $500m and €500m Sustainability-Linked Bond ('SLB') with ambitious sustainability targets

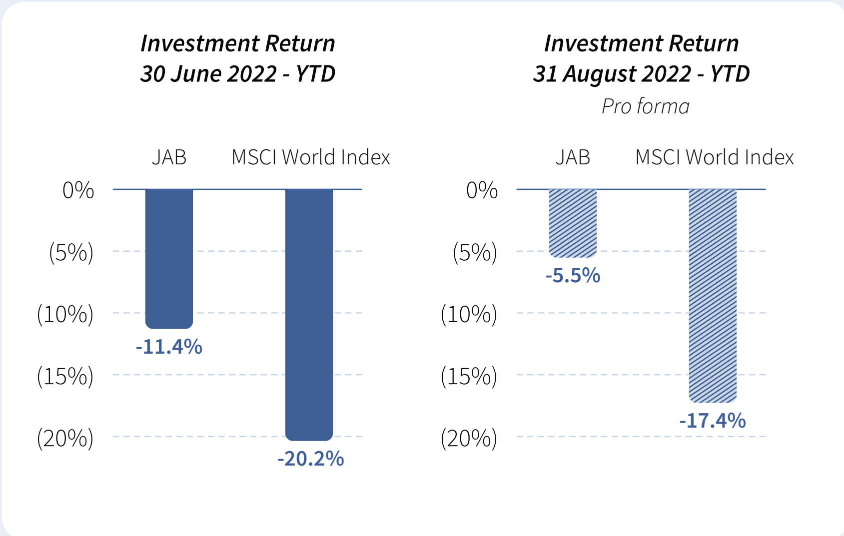
Half-Year 2022 - Highlights & Results

Investment Performance

Our all-weather investment strategy and diverse portfolio of investments have proven to be resilient in a toughening economic environment, with high inflation and increasing interest rates

Against the backdrop of a volatile macroeconomic and investment environment, we outperformed the MSCI World Index, which includes over 1500 publicly listed companies, by almost 900bps. The return on our investments for the first half of 2022 was -11.4% compared to -20.2% for the MSCI World Index.

Supported by a partial stock market recovery over the summer period and solid operating performance of our investments, our year-to-date return on a pro forma basis improved to -5.5% by the end of August. During this period, we continued to exceed the MSCI World Index's overall return of -17.4%, and further widened our outperformance to almost 1100bps.



As long-term and evergreen investor the success of our investment philosophy is meant to be measured over several years. At the same time, our recent outperformance against the MSCI World Index gives us confidence that our investment style is well-designed for and will be resilient in today's volatile market and in times of economic downturns.

During the six months period ending June 2022, the value of our investment portfolio reduced from $51.7 billion to $47.4 billion, primarily driven by an unrealized mark-to-market loss on our investments as reflected in our investment return. The IFRS accounting rules require unrealized mark-to-market gains and losses to be recognized periodically, therefore creating volatility on the reported value of our investment portfolio and our financial results. However, the underlying intrinsic value of our investment portfolio remains very strong as evidenced by current business performance of our largest portfolio companies, resulting from above market net revenue growth, strong pricing power supported by resilient cash flow dynamics, and low capital intensity.

Highlights of recent business performance of our largest portfolio companies can be summarized as follows:

Keurig Dr Pepper (KDP) reported strong results across all Business Segments for the first half year of 2022 with sales increasing by +9.9% and adjusted EPS by 1.4%. KDP raised its full-year net sales guidance to low-double-digit growth from the previous high-single-digit range and re-affirmed its full year mid-single digit range EPS guidance. KDP's strong performance reflect the flexibility and resilience of its business and the capability of its team to execute with excellence.

JDE Peet's is successfully navigating the macro backdrop and delivered another strong set of quality results for the first half of 2022. Organic sales increased by 16% and organic adjusted EBIT declined by -2% to €631 million, with free cash flow almost reaching €700 million. The results are particularly strong in the context of ongoing pandemic effects, supply chain disruptions, and mounting inflation. JDE Peet's made continued progress on sustainability commitments with step-change in responsible sourcing, increasing its responsibly sourced coffee target from 30% to 80% globally in 2022.

Half-Year 2022 - Highlights & Results (continued)

COTY ended FY22 with double-digit sales and profit growth, ahead of guidance. Full year performance highlights include LFL sales growth of +16%, year-on-year adjusted EBITDA growth of 19% and a reduction of Financial Debt by -$0.9 billion versus prior year. Coty's results demonstrate the successful execution of its turnaround plans, and the popularity of prestige and consumer brands despite macroeconomic headwinds.

During the first half of 2022 **Krispy Kreme** expanded its global points of access by +9% and increased organic sales by +11% compared to the same period last year. During this period Adjusted EBITDA ended at $96.3 million (-2.6%) with GAAP Net Income ended at $4.1 million (+126.3%). Krispy Kreme undertook strategic pricing actions after the end of Q2, to mitigate the impact of increased labor and commodity costs in addition to negative FX effects.

Panera Brands reported double-digit sales growth for the first half of 2022 supported by the success of newly launched products, continued new unit expansion, and strength of its digital channel and loyalty program with strong financial performance and cash flow.

NVA delivered solid organic growth against a very strong comparable period. Combined with NVA's continued expansion through strategic and bolt-on acquisitions, revenue increased versus prior year on a run-rate basis by over $1 billion, with margins continuing to be solid.

We are confident that our investment portfolio is well equipped to continue to succeed in these times of significant economic downturn and high inflation.

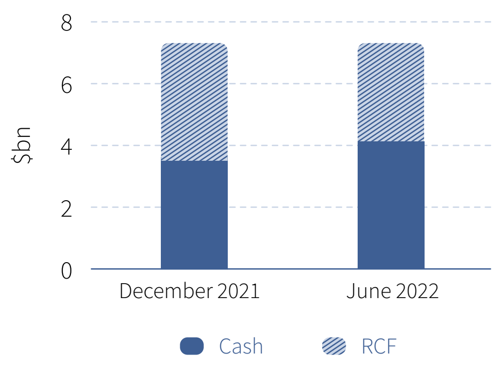
Financial Highlights

Our ongoing efforts to improve our debt and liquidity are paying off, which has proven particularly beneficial given rising global interest rates

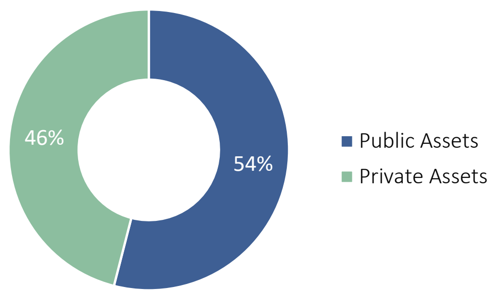
As of June 30, 2022, we continue to have record liquidity. Our reported liquidity on an absolute basis was $7.2 billion, including $4.1 billion of cash and cash equivalents and a $3.1 billion undrawn credit facility. In addition, our investment portfolio of $47 billion also represents a strong source of liquidity, with the majority of our investments (54%) indirectly held in publicly traded companies.

As long-term investors, we seek to match assets and liabilities through a long-term capital structure. The extension of our debt maturity profile established during recent years with an essentially fixed interest rate structure are important competitive advantages in a rising interest rate market environment. In this context, in April 2022, we issued the first 30-year maturity, sustainability-linked bond ever issued in global capital markets. Through this $500 million bond issuance, we further extended and improved our debt maturity profile while simultaneously reconfirming our ESG commitments. In June 2022, we issued a second sustainability-linked note with a nominal value of €500m. When issuing the two notes, we committed to meet certain sustainability targets (2025-2030), which have been classified as ambitious by Sustainalytics. These bonds align with our ambition of sustainable, long-term value creation.

Reported Liquidity



JAB Investment Portfolio



Half-Year 2022 - Highlights & Results (continued)

As of June 30, 2022, our Loan-to-Value ratio on a reported basis, measuring the relationship between our Net Debt and the value of our Investment Portfolio was 13%. Excluding the effect of equity attributable to non-controlling interests, the Loan-to-Value ratio was 19% on a stand-alone basis.

As an investment holding company, we report our borrowings at amortized cost. If, like our investments, borrowings were also to be reported at market value, this would have resulted in a reduction of $1.2bn of our net debt as of June 30, 2022. This reduction mainly represents the economic benefit resulting from our decision to lock in interest rates for a long time (e.g.: 20-year, 30-year bonds).

For the first half of 2022, we reported an IFRS accounting loss of $4.9 billion, mainly driven by unrealized mark-to-market investment losses of $5.7 billion, resulting in an investment return of -11.2%. The result for the period also includes $0.4 billion of dividend income as well as unrealized foreign exchange gains of $0.7 billion. With stock markets recovering during July and August, a mark-to-market gain of approximately $2.6 billion would have been recognized for this period, again reflecting the volatility of our results under applicable IFRS accounting standards.

30 June 2022	*As Reported (IFRS)* in $mm	*Stand-Alone LTV (Pro forma)* in $mm
Investments in Subsidiaries	47,046	31,562[1]
Other Investments	311[2]	311[2]
JAB Group's Investment Portfolio	**47,357**	**31,873**
Cash & Cash Equivalents	4,053	4,053
Borrowings	(10,083)	(10,083)
JAB Group's Net Debt	**(6,030)**	**(6,030)**
Loan-to-Value Ratio	**13%**	**19%**

1 *Investment in Subsidiaries, reduced by non-controlling interest*

2 *Other Investments (incl. assets/liabilities)*

ESG Update

Significant progress was made on our ESG journey which is critical for long-term investing in the consumer sector

We received a top quartile rating by Sustainalytics amongst nearly 900 financial institutions globally and have committed to implement Science-Based Targets for reducing greenhouse gas (GHG) emissions across at least 80% of our portfolio investments. As a result, we further progressed our ESG goals during the first half of 2022. We obtained approval from the Science Based Targets initiative (SBTi) on our ambitious ESG emission reduction targets and in addition SBTi published a case study about JAB's climate journey. In addition, we have strengthened ESG's integration in the M&A cycle and completed an in-depth assessment of diversity, equity, and inclusion strategies, practices, and behaviors across the portfolio companies. Both our investment grade ratings and our long-term ESG approach contribute to our ability to generate superior risk-adjusted long-term returns.

Business Development

We significantly expanded and strengthened our global petcare and pet insurance footprint on the back of a continued surge in pet ownership, pet healthcare spend, and pet humanization

Petcare

Pet Insurance

Petcare

Our Petcare Investment Platform continued its strong growth trajectory in the first half of 2022, supported by industry tailwinds from the continued growth in pet ownership and pet humanization. We successfully completed the acquisition of SAGE and Ethos, further strengthening our footprint in specialty and emergency care.

SAGE Veterinary Centers ("SAGE"), a premier provider of specialty and emergency medicine, officially joined the NVA family in June 2022. This was followed by the addition of Ethos Veterinary Health ("Ethos"), an innovative veterinary leader focused on the emergency and specialty segment, in July 2022. Sage & Ethos will work alongside NVA Compassion-First, NVA's dedicated specialty and emergency care group. Together, they will pursue their shared mission of applying medical innovation to improve the lives of veterinarians, patients, and their families through compassionate care.

Pet Insurance

Significant progress was made towards building a global pure-play pet insurance business in the growing and underpenetrated pet insurance market.

In June 2022, the previously announced transaction between BNP Paribas Cardif and JAB was completed, resulting in the creation of Pinnacle Pet Group focused on the marketing, distribution and underwriting of pet insurance in Europe for both company-owned brands and white-label partnerships. After the close of this transaction, we announced the acquisition of Veterfina's and AGILA's pet insurance businesses, which are both well-established players in the European pet insurance category.

Concurrently, we announced a transformational strategic partnership. Independence Pet Group, our North American pet insurance platform, agreed to acquire Fairfax Financial Holdings' global pet insurance businesses, Crum & Forster Pet Insurance Group (C&F Pet) and Pethealth Inc. C&F Pet markets or serves as the underwriter for numerous owned, licensed, and third-party brands in the United States, including ASPCA Pet Health Insurance, 24Petprotect, Hartville, Spot, Pumpkin and Petco pet insurance plans, as well as Pets Plus Us in Canada. Pethealth Inc. provides well-being and safety solutions to shelters and pet owners.

About JAB

Our Investment Partnership

JAB is a partnership with strategic alignment and full control over its managed capital

JAB

JAB Holding Company

A unique partnership of long-term investors in consumer goods & services

JCP

JAB

JAB is a unique investment partnership between JAB Holding Company as an evergreen investor and creator of global leading Investment Platforms and JCP as a strategic co-investor. With almost 200 years of heritage, JAB invests in consumer goods and services and is focused on long-term value creation through its unique Platform Investing Philosophy.

Our Managing Partners oversee the investments of both JAB Holding Company and JCP, with a single and fully aligned investment strategy. Investment decisions always require unanimity of the Managing Partners.

JAB has investment offices in Washington D.C., London, Amsterdam, São Paulo, Luxembourg (headquarters) and Mannheim. JAB employs approximately 50 professionals, including our Managing Partners, (Senior) Partners and CFO, who have extensive industry and investment experience.

JAB
Holding Company

$31bn

Invested Capital

In 2012, JAB Holding Company was formed as a partner-led investment firm, with $9bn of invested capital placed under one holding company, which has increased to $31bn of invested capital as of June 30, 2022.

JAB Holding Company has a diverse team of professionals with a clear understanding and appreciation of the next generation of consumers as well as a strong focus on ESG and superior risk-adjusted com-pounded returns.

J | CP

$16bn

Invested Capital

$20bn+

Total Capital Raised

$12bn

Distributions Since 2019

JCP was established in 2014, driven by investors' demand to participate in the investment strategy of JAB Holding Company.

JCP is a Luxembourg-based regulated investment fund with institutional investors, family offices, endowments and other professional investors. JCP always invests alongside JAB Holding Company in the consumer goods and services sector.

JAB Holding Company and JCP are jointly invested to execute JAB's platform investing strategy. The Private Placement Memorandum and Co-Investment Agreements govern the Investment Partnership between JAB Holding Company and JCP. Notwithstanding the consolidation of our Investment Platforms, JCP remains an independent regulated investment fund based in Luxembourg and managed by JAB Consumer Fund Management S.à.r.l. ('AIFM'), an alternative investment fund manager which is authorized and approved by the Luxembourg financial supervisory authority, the *Commission de Surveillance du Secteur Financier* ('CSSF'). Any decision by the AIFM to invest or divest requires a positive recommendation by our Managing Partners, who are the key persons of the fund.

Our Diverse Team of Professionals

A high-performing team is at the heart of our success

Our team has deep institutional investment and sector knowledge and experience. The fast-paced and dynamic environment in which we operate requires a team with an entrepreneurial spirit focused on the collective success of JAB.

We operate from investment offices in Washington D.C., London, Amsterdam, São Paulo, Luxembourg and Mannheim. Our team is led by our Managing Partners – CEO Olivier Goudet, Chairman Peter Harf and Vice Chairman Joachim Creus – together with eight (Senior) Partners and our CFO, each of whom has significant experience in investing and overseeing businesses in the consumer goods and services industries. They are supported by a global team of 40+ investment and industry professionals.

An environment with compounding performance opportunities

We attract, evaluate and compensate talent with the objective of successfully delivering compounding long-term returns on our Investment Platforms. As such, we provide our team with opportunities and stretch goals for continuous development and growth.

Working together as a powerful team

We have an entrepreneurial, high energy and high performance culture, with an ambitious and motivated team. A common characteristic in all of us is the aligned focus on creating value for our shareholders and other stakeholders.

An invested and full-on team

Our team, at JAB and our portfolio companies, is invested towards the same goals as our investors. Invested means that financial interests are aligned to enable our value-enhancing strategy. Invested also means personal commitment and being full-on to deliver sustainable results in a fast-paced and highly demanding environment.

Our leadership team

JAB is overseen by its leadership team including our three Managing Partners, Olivier Goudet as our CEO, Peter Harf as our Chairman and Joachim Creus as our Vice Chairman, together with eight (Senior) Partners and our CFO.

200+	**150+**	**100+**	**8**
Years of Consumer Industry Expertise & Insights	*Years of Investing Expertise*	*Years of Executive Committee and Board Experience*	*Nationalities*

Olivier Goudet
Managing Partner, CEO

Peter Harf
Managing Partner, Chairman

Joachim Creus
Managing Partner, Vice Chairman

David Bell
Senior Partner

Ricardo Rittes
Senior Partner

Trevor Ashley
Partner

Patricia Capel
Partner

Frank Engelen
Partner

Luuk Hoogeveen
Chief Financial Officer

Konrad Meyer
Partner

Lubomira Rochet
Partner

Jacek Szarzynski
Partner

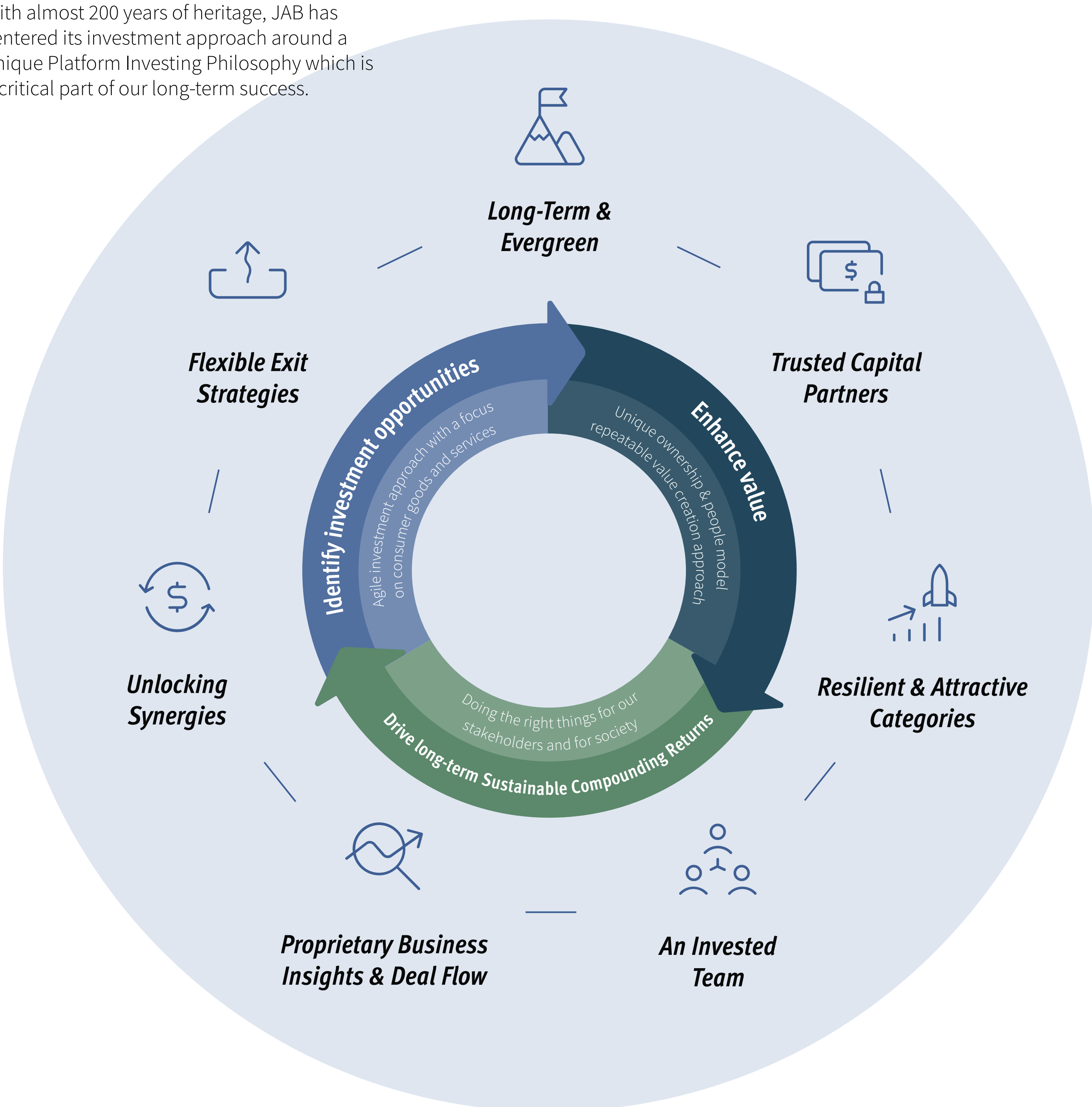
JAB's Leadership team is supported by:

- a global team of 40+ Investment and Industry Professionals
- a carefully selected team of world class CEOs and Executive Teams with skin in the game
- two globally recognized Senior Advisors, providing advice on governance and strategy matters

Value Creation

Platform Investing Philosophy

With almost 200 years of heritage, JAB has centered its investment approach around a unique Platform Investing Philosophy which is a critical part of our long-term success.

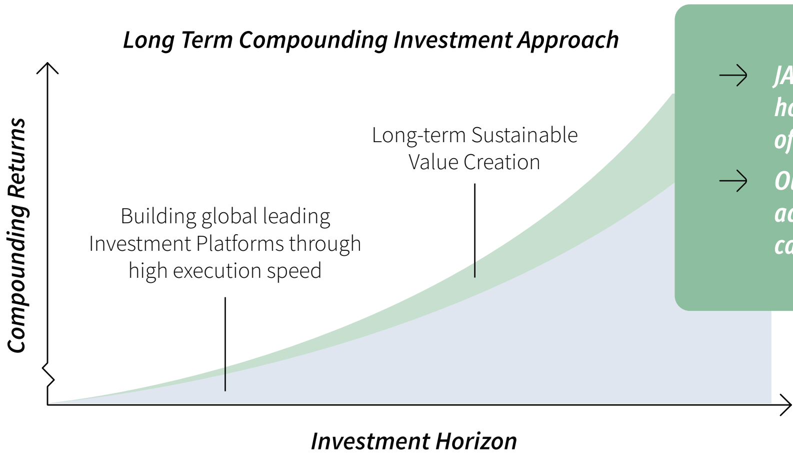


A long-term and evergreen investor

We are evergreen investors with a long-term investment horizon. JAB's evergreen capital structure enables us to build better, stronger and future-proof businesses in a healthy and sustainable way, without cannibalizing long-term value creation opportunities to realize short-term financial gains. In addition, it allows us to unlock value and access growth pools over longer periods of time.

An ecosystem of trusted debt & equity partners

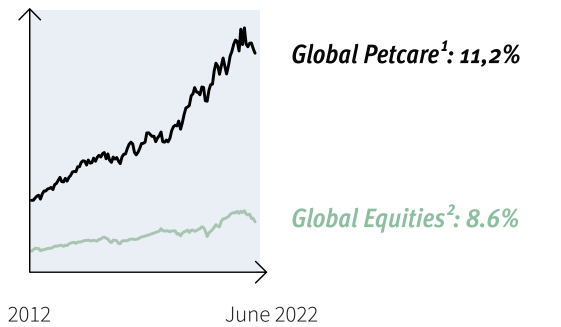
We have a unique ecosystem of trusted and high-quality debt and long-term equity partners. Together with our partners, we are building Investment Platforms with controlling or anchor stakes in global leading businesses, which allows us to create blue-chip companies that are ready for the next generation of consumers and their preferences.

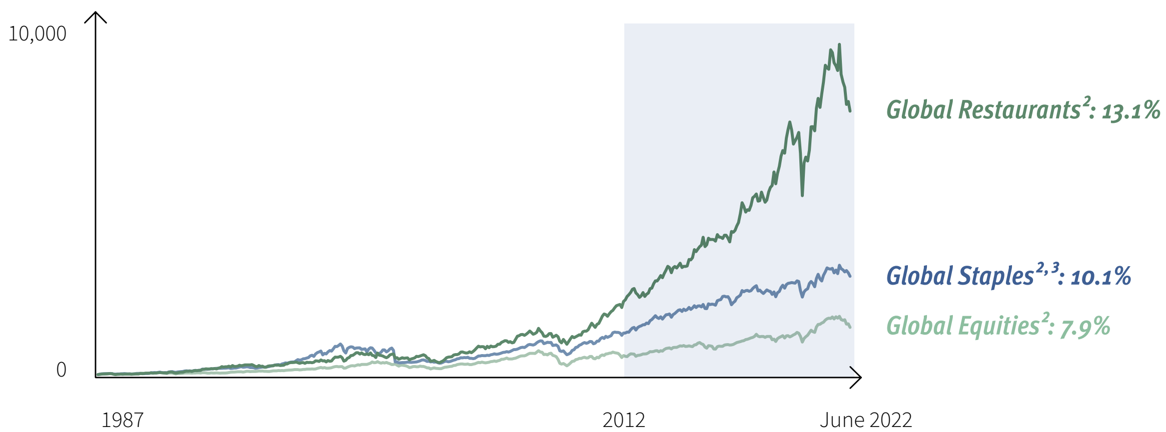


- *JAB invests with a long-term and evergreen investment horizon, allowing investment decisions beyond the scope of traditional (private equity) investment firms*
- *Our long-term sustainable investment approach gives access to growth pools over longer periods of time which cannot be reached with a short term investment horizon*

Resilient categories with attractive growth fundamentals

We invest in categories that have a proven track records of resiliency across the economic cycle, with strong growth momentum, attractive cash flow dynamics and low capital intensity.





[1] Source: Global Petcare index based on Factset Petcare TR Index available since 2014

[2] Source: Datastream, FactSet

[3] Excluding Tobacco : Food, Beverages, Household & Personal Care

An invested team

We have a global network of leading professionals in the consumer goods and services industry. Our strong network has enabled us to establish a high-quality team of senior investment and industry professionals at JAB, as well as a team of industry leading CEOs, senior executives and independent directors at our portfolio companies. We are all invested behind long-term value creation for our shareholders and other stakeholders, and our financial and non-financial interests are aligned. We promote a regular, informal and hands-on communication flow between all participants in our ecosystem.

Proprietary business insights & deal flow

We develop real-time superior business insights across an industry sector by combining data, information and people knowledge. These insights provide us with a strategic advantage in our deal sourcing processes, resulting in us being selected as the partner of choice most of the time. This allows us to establish deals on a proprietary and bilateral basis, and to establish a more timely and effective investment approach based on real-time market and industry trends, our people network, consumer behaviors and technological developments.

Unlocking synergies

Through our Platform Investment approach, we can achieve levels of synergies that go beyond those that could be realized by each of the individual investments. These synergies are captured by leveraging and scaling the unique opportunities and capabilities of our Platform Investments. To be competitive on all fronts, we focus on both soft and hard synergies, including revenue and cost synergies, balance sheet optimization, talent acquisition, knowledge sharing and building of new growth capabilities.

Flexible exit strategies

When combining our long-term investment horizon with our decades of investment experience, we recognize that providing future flexibility for our investors is a critical competitive advantage. Therefore, our Investment Platforms are designed to facilitate flexible exit scenarios, which allows us to minimize exit friction and maximize long-term value creation for investors.

How We Create Sustainable Compounding Returns

JAB is committed to delivering superior long-term compounding shareholder returns, which are fundamentally dependent on a healthy planet and society.

Within our Platform Investment Philosophy, we have a clear understanding and appreciation of the next generation of consumers, combined with a strong focus on ESG-related matters. We fundamentally believe that taking a sustainable value creation approach to business pays off to our investors, capital partners, suppliers, consumers and other stakeholders. We have a formalized ESG strategy and a clear roadmap to continue to integrate ESG in our ways of working.

Our Integrated Annual Report 2021 elaborated on our key performance indicators that are at the centre of our Investment Philosophy and reflected on our targets, results and progress per priority topic and the value creation model represents the core of our integrated thinking. This report provides an update to the earlier published Integrated Annual Report including highlight of this half-year.

ESG priority topics

Within our ESG Strategy, we have prioritized key ESG topics based on an in-depth materiality analysis conducted through conversations with key stakeholders including our team, investor community, consumers, regulators and our portfolio companies. The four priority topics identified through the analysis are:

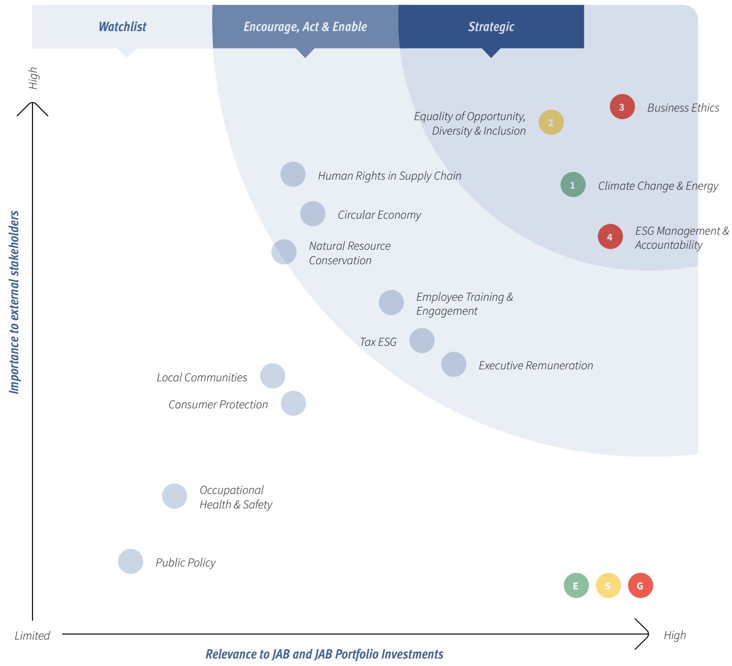
1. Climate Change & Energy
2. Equality of Opportunity, Diversity & Inclusion
3. Business Ethics
4. ESG Management & Accountability

We approach these priority topics through tailored programs both within our own organization and with our portfolio companies. While our portfolio companies operate independently, we actively engage with each to embed JAB's ESG priorities into their strategy and operations, as well as pursue their own tailored ESG agendas before the four priority topics identified above are considered. ESG is overseen at the Board level of all our investments, with each business reporting to the Board at least once per year on ESG priority topics, including climate.

In addition, we enable our portfolio companies to share best practices through our ESG Collaboration Forum, which takes place every quarter. We started this initiative in 2019 because of our conviction that ESG is universally important, and that collaboration can only build positive impact and momentum across the portfolio companies. The Collaboration Forum, which includes sustainability experts and C-suite members from across the portfolio, provides our portfolio companies with the opportunity to jointly discuss progress and challenges experienced in the execution of their ESG agendas. It also enables leadership teams from both private and public companies to work together. This dynamic is unique to JAB thanks to our long-term ownership model and continued engagement with our companies once they become public.

Our due diligence process also includes ESG considerations, and we encourage new portfolio companies to embed ESG into their strategy early on, if it is not already present.

We evaluate our performance in the area of ESG based on Key Performance Indicators (KPIs), which as of 2021 are periodically measured, monitored and annually reported on. These KPIs have been defined for each of the four priority ESG topics, both at the Holding level and the Investment Platform level and are presented to our stakeholders annually as part of the Integrated Annual Report.

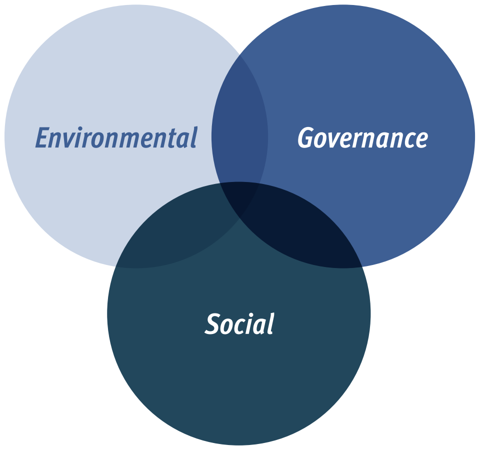


Materiality matrix

UN Sustainable Development Goals

JAB is committed to the UN Sustainable Development Goals (SDGs), which are the internationally recognized framework adopted by all UN Member States in 2015 as part of the 2030 Agenda for Sustainable Development. We believe that all businesses have a critical role to play in building a healthier world, and the UN SDGs provide a strong framework from which to ensure that JAB and our Investment Platforms are effectively bringing long-term benefits to consumers and communities around the world.

How We Create Sustainable Compounding Returns (continued)



	Environmental	Social	Governance
Priority topics	• **Climate Change & Energy**	• **Equality of Opportunity, Diversity & Inclusion**	• **Business Ethics** • **ESG Management & Accountability**
Objective	• Reduce greenhouse gas emissions ('GHG') in-line with the Paris Climate Agreement • Manage climate risks and opportunities	• Advance equality of opportunity and increase diversity and inclusion, starting at the leadership level	• Establish Business Ethics as a fundamental cornerstone to everything we do • Embed ESG throughout the entire value chain and report in a transparent way on ESG progress
Commit-ments, partnerships & affiliations	Science Based Targets; TCFD Task Force on Climate-Related Financial Disclosures; BSR; United Nations Global Compact	Business for Inclusive Growth; BSR; United Nations Global Compact	PRI Principles for Responsible Investment; BSR; United Nations Global Compact
Half-year 2022 highlights	• With approval of the Science Based Targets initiative (SBTi), announced ambitious GHG emission reduction targets within today's investment community • SBTi published a case study about JAB's climate journey as an example to the Finance Sector • JAB became a charitable supporter of SUGi in nature and biodiversity restoration with a project in London • Fully offset all business travel in the first half-year of 2022 through certified reforestation	• Completed an in-depth assessment of the diversity, equity and inclusion strategies, practices and behaviors across the portfolio companies • Held quarterly ESG Collaboration Forum focused on diversity, equity and inclusion, showcasing best-practices from across the portfolio and bringing external perspectives from experts in the field • Visionary charitable sponsor and fundraising partner of DKMS, an international charity dedicated to the fight against blood cancer and blood disorders • Continued to participate in the work of B4IG and supported the initiation of the Taskforce on Social-related Financial Disclosures (TSFD)	• Issued two Sustainability-Linked Bonds (SLB) with ambitious targets as evaluated by Sustainalytics • Strengthened ESG's integration in the M&A deal cycle by conducting ESG due diligence workshop training for all investment professionals • Initiated the ESG assurance process to achieve limited assurance on several KPIs as part of the Integrated Annual Report 2022 • Published updated Human Capital program, Environmental policy and Supplier Code of Conduct
Sustainable Development Goals	7 Affordable and clean energy; 13 Climate action	5 Gender equality; 10 Reduced inequalities	16 Peace, justice and strong institutions

Our Global Leading Investment Platforms

Coffee & Beverages

Fast Casual Restaurants

Indulgence

Petcare

Pet Insurance

Beauty & Luxury

Since the formation of JAB Holding Company in 2012, we have diversified our investment portfolio by expanding into different categories in the consumer goods and services sector.

Through our Global Investment Platforms, we control businesses that operate in multiple segments. Each business has established its own robust business model and strategy by leveraging industry-leading brands and a tailored products and services portfolio. These brands are distributed through a variety of channels in different geographies, and as a result address the needs of a broad consumer base.

Coffee & Beverages

Coffee & Beverages through direct, wholesale, retail, bottlers, food service and e-commerce

- Premium coffee brands
- Mainstream coffee brands
- Coffee systems
- Carbonated soft Drinks
- Tea & Juices
- Premium water
- Sport & Energy drinks

Fast Casual Restaurants

Fast Casual Restaurants through retail-owned, retail-franchised, online, catering and CPG

Covering all occasions:

- Breakfast
- Lunch
- Dinner

Indulgence

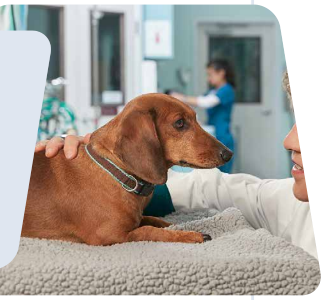
Indulgence through retail-owned, retail-franchised, online, home delivery and CPG

- Doughnuts
- Cookies

Krispy Kreme Doughnuts

Insomnia Cookies

Petcare



Petcare through at-premise, home-delivery and online

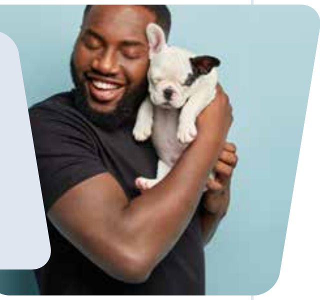
- General care
- Specialty care
- Vaccine & pharmacy
- Pet services
- Equine

NVA

NVA Compassion-First Specialty + ER Hospitals

ETHOS Veterinary Health

Pet Insurance



Pet Insurance through breeder, direct-to-consumer, veterinary, mass retail, and employee benefits channels:

- Accident & Illness
- Accident only
- Wellness and other add-ons
- 24/7 vet helpline
- Pet Insurance & community app

Independence Pet Group

Pinnacle Pet Group

Beauty & Luxury

Beauty & Luxury through retail, wholesale, online, and other

- Fragrance
- Color cosmetics
- Skin and body care
- Luxury
- Hair care

COTY

BALLY

As a controlling or anchor shareholder, JAB exerts significant influence over its investments

	JAB Ownership*	
Keurig Dr Pepper	33%	JAB Holding Company, JCP
JDE Peet's	57%	JAB Holding Company, JCP
Panera Brands	86%	JAB Holding Company, JCP
Pret	75%	JAB Holding Company, JCP
Espresso House	84%	JAB Holding Company, JCP
Krispy Kreme Doughnuts	45%	JAB Holding Company
NVA	91%	JAB Holding Company, JCP
Independence Pet Group	81%	JAB Holding Company, JCP
Pinnacle Pet Group	70%	JAB Holding Company, JCP
COTY	54%	JAB Holding Company
BALLY	98%	JAB Holding Company

* *Includes combined JAB Holding Company and JAB Consumer Partners ownership and excludes other co-investors.*

Half-year 2022 Portfolio Companies ESG highlights

→ KDP set the aspirational goal to achieve net water positive impact by 2050

→ JDE Peet's increased its responsibly sourced coffee target from 30% to 80% globally in 2022 and committed a EUR 150 million investment in responsible sourcing programme which will ultimately lead to 100% responsibly sourced coffee by 2025

→ Panera launches its new flagship Panera Dream Project™, offering a leadership acceleration program for underserved talent and the Panera Bread Foundation to support children and youth in its communities

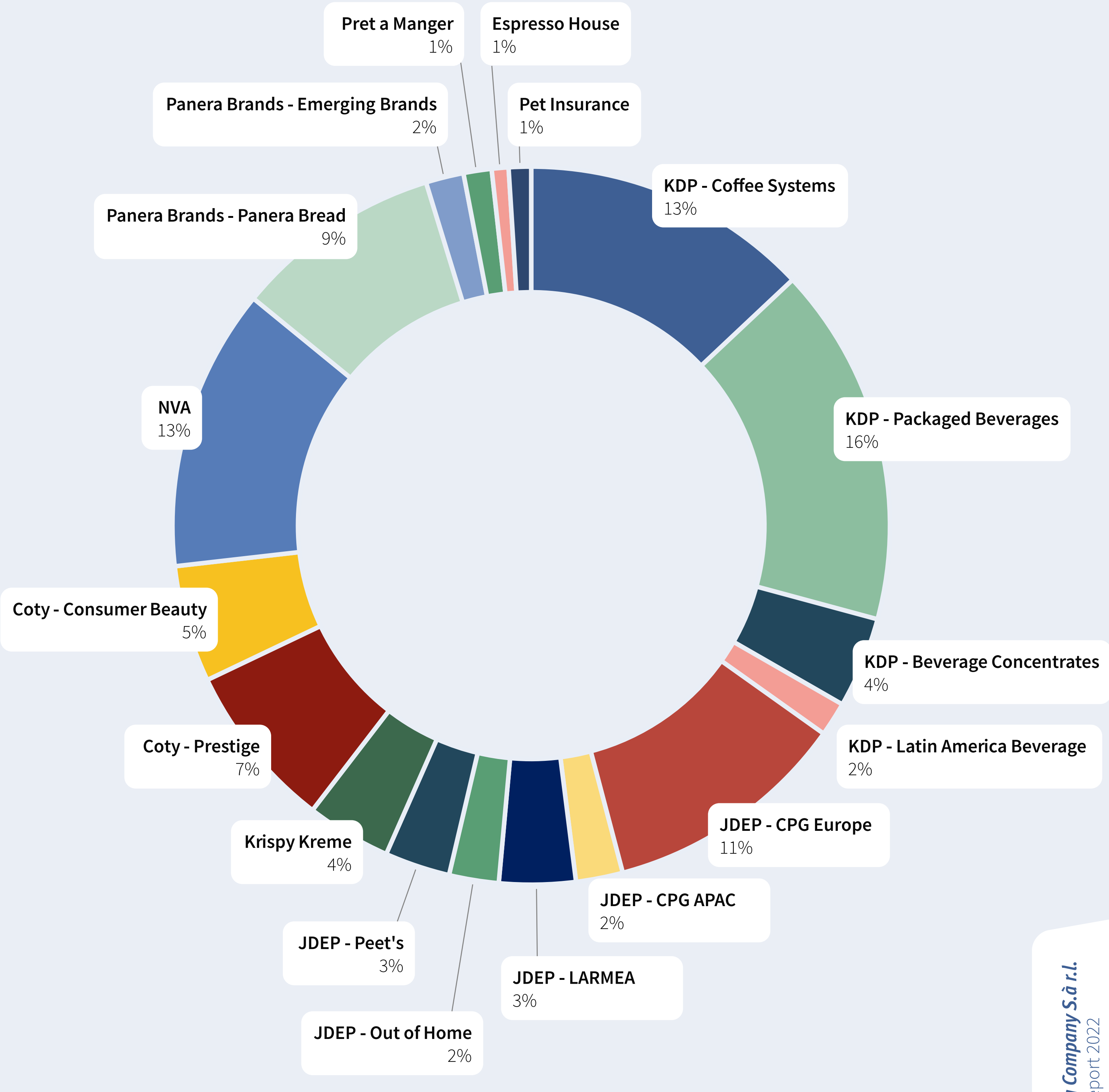
→ Espresso House launched the initiative CupTogether, making the long-term commitment to break down taboos and to fight loneliness

Our Global Leading Investment Platforms (continued)

JAB's Investment Platforms leverage a strong portfolio of premium and iconic brands that are well-recognized and strongly positioned within their respective categories and markets.

A global investment portfolio with strong asset diversity

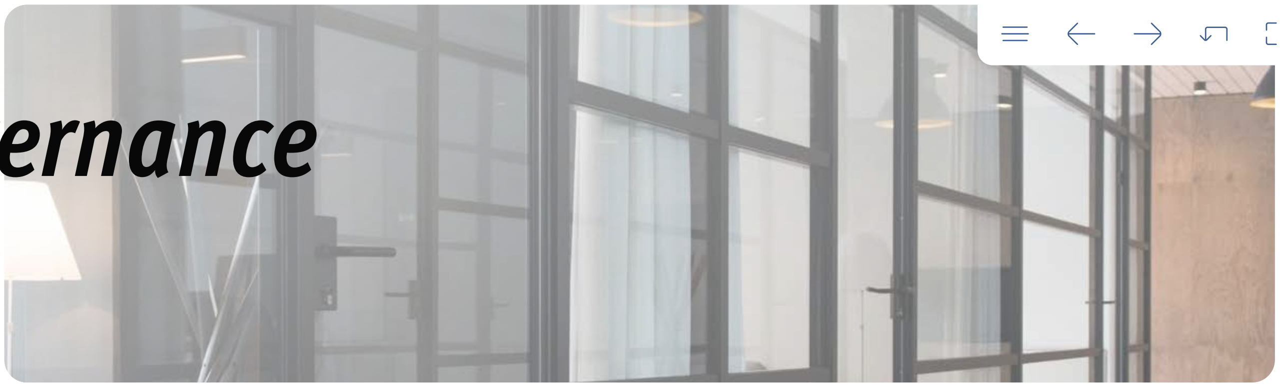
Our investment philosophy is focused on building a diversified portfolio within the consumer and services sectors, with low or negative correlation between the assets and with businesses that are diversified by themselves through their unique combination of brands, product and service categories, and distribution channels



An overview of JAB's Investment portfolio

** Pet Insurance concerns pro forma 2021 sales of closed transactions as of 30 June 2022*

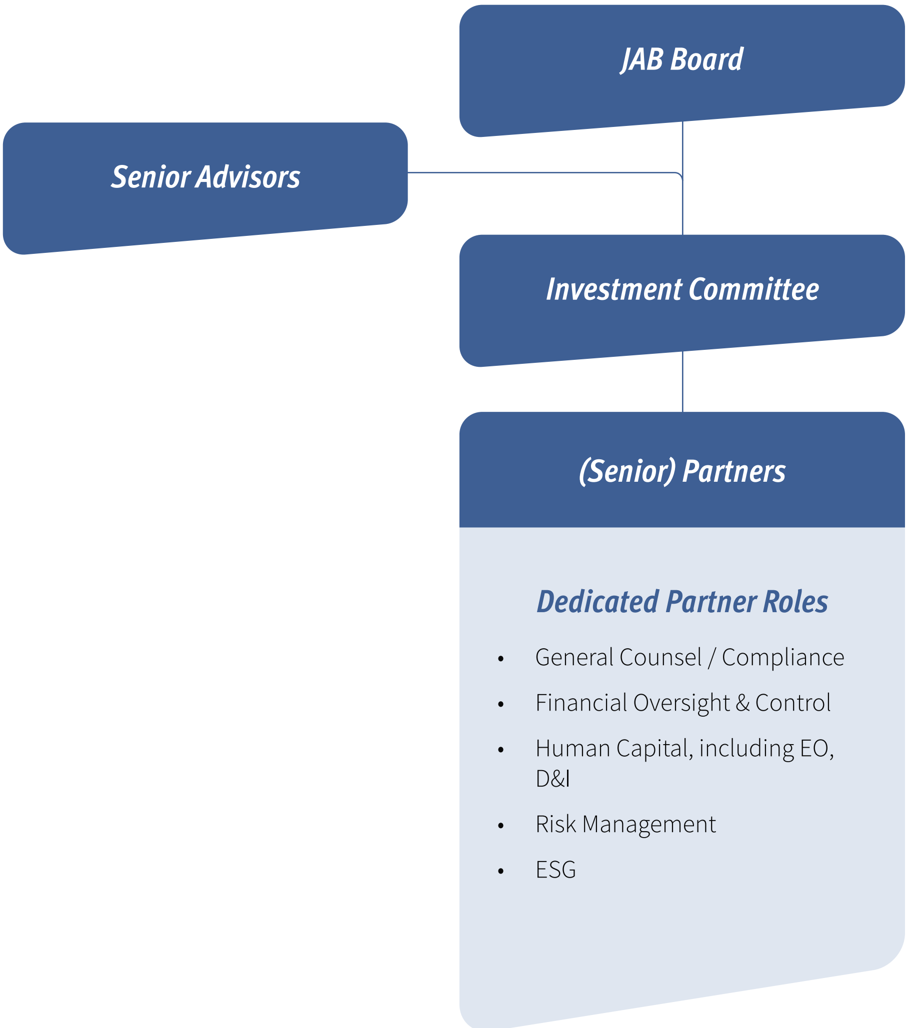
Governance



JAB Governance

JAB Holding Company has four statutory Managers, including the CEO, and has implemented a governance framework for strategy, finance, risk and compliance, remuneration and ESG. This framework is overseen by the JAB Board. The Chairman and Vice Chairman are each members of the JAB Board and the Investment Committee.

The organization is led by the CEO, who is also a member of the Investment Committee, together with the Chairman and Vice Chairman of the JAB Board. The members of the Investment Committee are referred to as Managing Partners. The Investment Committee obtains independent advice from two globally recognized Senior Advisors with extensive expertise on governance and strategy matters.



JAB Governance (continued)

The **JAB Board** exercises typical shareholder rights (e.g. approval of distributions and valuations, and admission of shareholders) and is responsible for defining and monitoring JAB Holding Company's governance model, including the mandate of the Investment Committee and key elements of management's remuneration framework. The JAB Board meets periodically in Luxembourg together with the Managing Partners of the firm.

The **Investment Committee** is responsible for JAB Holding Company's investment and exit strategy, including ESG. Investment and divestment decisions require the unanimous approval of the Managing Partners. The Investment Committee is also responsible for the remuneration of the broader management team, including eight (Senior) Partners and our Chief Financial Officer.

On a number of **specified domains** there is an individual partner responsible for the execution of our strategy. For example, there is one JAB Partner with overall execution responsibility for ESG matters across JAB and its investment portfolio. For each of our portfolio companies, ESG issues are also monitored by the respective Board of Directors, with each business reporting to the Board at least once per year on ESG priority matters.

Our portfolio companies are managed by their respective CEOs and leadership teams which have also invested their personal wealth into their businesses, resulting in strong alignment of interests with those of JAB. Each of our portfolio companies, private and public, has a Board of Directors, an Audit Committee and Remuneration Committee, with Independent Directors and JAB representatives.

Our Senior Advisors

JAB partners with two globally recognized senior advisors, Antonio Weiss and Bertrand Badré, who provide us with advice on various governance and strategy matters, which are within their respective areas of expertise including business development, mergers and acquisitions, and ESG matters. At JAB, we highly value independent advice as it provides us with a fresh perspective on where we stand, our intentions and our journey.

Antonio Weiss

Senior Advisor

Mr Weiss has advised JAB since its formation as a global investment firm in 2012. His work spans business strategy and public policy. He is a research fellow at Harvard Kennedy School's Mossavar-Rahmani Center for Business and Government. From 2014 to 2017, he served as Counselor to the Secretary of the U.S. Treasury, where he oversaw the domestic finance department. Prior to this, he held various leadership roles at Lazard over twenty years in the US and Europe, including as Global Head of Investment Banking from 2009 to 2014.

Bertrand Badré

Senior Advisor

Mr Badré is the founder and CEO of Blue like an Orange Sustainable Capital, an investment Company that manages investments for social and environmental impact to foster inclusive and sustainable growth and reduce risk. Mr Badré also serves as a guarantor to the 'One Planet Lab' initiative. Previously, he served as Managing Director and CFO of the World Bank Group, Group CFO of both Société Générale and Crédit Agricole, Partner at Lazard and was an advisor to previous French President Jacques Chirac's diplomatic team.

Managing Risks and Uncertainties

Risk management is an integral part of the governance structure. Our risk management approach is established to identify and analyze risks faced by JAB, to monitor such risks and to implement remediation initiatives to ensure adherence to set limits. Our Risk Management function is overseen by a JAB Partner who has extensive experience in this field. The risk management approach and our compliance policies are reviewed regularly to reflect changes in market conditions and the activities of JAB.

Our policies and programs

Our risk management system contemplates a broad range of stakeholders, including our shareholders, other equity investors and fixed income investors.

Risk management is an integral part of our business and is governed by a comprehensive set of policies and programs. Within the partner group, expert roles are defined in the areas of compliance, ESG, human capital and risk management.

On financial risk management, our objective is to maintain a level of cash flow certainty that is acceptable to our stakeholders, including equity and fixed income investors, given a certain expected return.

In particular, we closely monitor topics related to:

- Capital structure, financing, and liquidity
- Transactional risks
- Foreign currency and balance sheet risk
- Counterparty risk (cash, marketable securities and derivatives)
- Environmental, Social, Governance (ESG) and reputation risks

Our risk management and other important company policies are continuously monitored and updated where needed. The following policies are in place:

- Code of Conduct
- Anti-Money Laundering policy
- Whistleblower policy
- Human Rights policy
- Supplier Code of Conduct
- Environmental Policy

As presented below, a tailored Compliance and Human Capital program are established addressing a number of the policies presented above.

We developed a Responsible Investment & Stewardship Policy and a Human Rights policy to provide further guidance on ESG in our investment practices. Our Responsible Investment & Stewardship policy describes our approach to how we formally incorporate ESG matters into our entire investment process.

Compliance Program

The Compliance Program provides the organizational framework with respect to the following policies

Code of Conduct

- Anti-bribery and anti-corruption
- Anti-competitive practices
- Conflict of interest
- Supplier Code of Conduct

Anti-Money Laundering Policy

Whistleblower Policy

Human Capital Program, incl. equality of opportunity

Principal risks and uncertainties

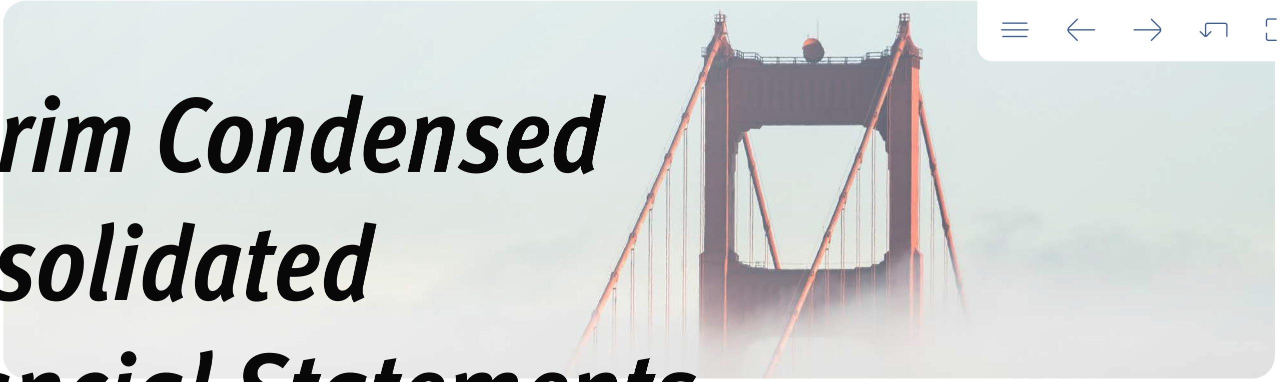
Our financial position is impacted by the performance of our investments, including the resulting impact on valuation. By having a controlling or anchor stake and via representation on the Boards, we are able to oversee and influence the financial and operational performance of our portfolio companies, with the aim to achieve strong compounded investment returns.

The loss of key talent could have a negative impact on our operations. This risk is mitigated by investment and long-term equity incentive plans of our leadership teams, and by promoting a culture of ownership and opportunity. In this way, we continue to attract talented people with the entrepreneurial mindset and skillsets to drive long-term value creation.

Through our investing and financing activities, we are exposed to a variety of risks, including market risks, credit risks and liquidity risks. It is our objective to manage and mitigate these risks to acceptable levels. Market risk refers to the Firm's exposure to fluctuations in market prices, including foreign exchange rates and interest rates. Foreign exchange risk on transactions is hedged through forward contracts and other derivatives as necessary. The firm is exposed to volatility in equity markets which primarily impacts the value of its public investments. This exposure is not hedged as of June 30, 2022. We actively manage our exposure to interest rate fluctuations. When the firm is exposed to such fluctuations on floating rate long-term debt the firm enters, when thresholds have been exceeded, into interest rate swaps. No hedge accounting is applied on any of the derivative transactions as of June 30, 2022. Our exposure to credit risk mainly relates to cash and cash equivalents and is mitigated by transacting with counterparties with high credit ratings. Exposure to liquidity risk is limited, as sufficient liquidity is available in the form of cash and cash equivalents, and under our credit facilities.

Within our risk management framework, continued consideration is given to fraud risk. Our approach is to minimize fraud risks from the start, both internal and external, and to continuously monitor and update our procedures to detect and if applicable remediate potential fraudulent events. Our Code of Conduct defines the norms, and responsibility of our team with the aim to reduce the likelihood of unethical actions and to protect JAB and its stakeholders.

JAB's climate related risk and opportunity analysis is annually published as part of the Integrated Annual Report.



Interim Condensed Consolidated Financial Statements

Table of Contents

Interim condensed consolidated statement of financial position

As of 30 June

	Notes	30 June 2022 in $m	31 December 2021 in $m
Assets			
Investments in subsidiaries	3.1	47,045.8	51,409.8
Other investments	3.1	330.3	300.4
Other loans	3.2	16.7	42.3
Other assets	3.3	47.0	37.6
Cash and cash equivalents	3.4	4,053.0	3,759.5
Total assets		**51,492.8**	**55,549.6**
Equity and liabilities			
Total equity attributable to owners of the parent	3.5	24,715.7	27,962.5
Non-controlling interests	3.5	15,484.1	16,543.7
Total equity		**40,199.8**	**44,506.2**
Borrowings	3.7	10,082.6	9,811.8
Related party payable	3.8	1,008.0	1,087.3
Other liabilities	3.9	202.4	144.3
Total liabilities		**11,293.0**	**11,043.4**
Total equity and liabilities		**51,492.8**	**55,549.6**

The notes on pages 33 to 59 are an integral part of these interim condensed consolidated financial statements.

Interim condensed consolidated statement of profit or loss and other comprehensive income

For the six months ended 30 June

	Notes	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m
Net (loss) / gain on investments in subsidiaries and other investments	3.1	(5,703.8)	3,333.0
Dividend income	3.1	434.0	358.5
Finance income	3.10	693.1	279.5
Finance expenses	3.10	(118.3)	(112.7)
General and administrative expenses	3.11	(48.0)	(45.1)
Other expense	3.12	(174.1)	(68.9)
(Loss) / profit before income tax		**(4,917.1)**	**3,744.3**
Income tax expense	3.13	(0.5)	(0.1)
(Loss) / profit for the period		**(4,917.6)**	**3,744.2**
Attributable to owners of the parent		(3,082.4)	3,744.2
Non-controlling interests		(1,835.2)	-
Total comprehensive (loss) / income		**(4,917.6)**	**3,744.2**
Attributable to owners of the parent		(3,082.4)	3,744.2
Non-controlling interests		(1,835.2)	-

The notes on pages 33 to 59 are an integral part of these interim condensed consolidated financial statements.

Interim condensed consolidated statement of changes in equity

	Notes	Share capital in $m	Share premium in $m	Share-based payments reserve in $m	Foreign currency translation reserve in $m	Retained earnings in $m	Equity – Attributable to owners of the parent in $m	Non-controlling interests in $m	Total equity in $m
Balance as of 1 January 2021		**10.1**	**11,092.5**	**478.9**	**(511.7)**	**11,773.5**	**22,843.2**	**-**	**22,843.2**
Issue of share capital		0.0	23.6	-	-	-	23.6	-	23.6
Share-based payment transactions	3.6	0.2	(31.5)	68.7	-	-	37.4	-	37.4
Repayment of share premium	3.5	-	(91.4)	-	-	-	(91.4)	-	(91.4)
Other comprehensive income for the period		-	-	-	0.0	-	0.0	-	0.0
Profit for the period		-	-	-	-	3,744.2	3,744.2	-	3,744.2
Total comprehensive income		**-**	**-**	**-**	**0.0**	**3,744.2**	**3,744.2**	**-**	**3,744.2**
Balance as of 30 June 2021		**10.3**	**10,993.2**	**547.6**	**(511.7)**	**15,517.7**	**26,556.9**	**-**	**26,556.9**
Balance as of 1 January 2022		**10.5**	**10,919.1**	**647.3**	**(511.7)**	**16,897.5**	**27,962.5**	**16,543.7**	**44,506.2**
Issue of share capital	3.5	0.2	497.7	-	-	-	497.9	-	497.9
Decrease in share capital and repayment of share premium	3.5	(0.3)	(822.0)	-	-	-	(822.3)	-	(822.3)
Share-based payment transactions	3.6	0.2	330.7	(171.1)	-	-	159.8	3.9	163.7
Transactions with non-controlling interests	3.5	-	-	-	-	-	-	771.7	771.7
Other comprehensive loss for the period		-	-	-	(0.0)	-	(0.0)	-	(0.0)
(Loss) for the period		-	-	-	-	(3,082.4)	(3,082.4)	(1,835.2)	(4,917.6)
Total comprehensive (loss)		**-**	**-**	**-**	**(0.0)**	**(3,082.4)**	**(3,082.4)**	**(1,835.2)**	**(4,917.6)**
Balance as of 30 June 2022		**10.6**	**10,925.5**	**476.2**	**(511.7)**	**13,815.1**	**24,715.7**	**15,484.1**	**40,199.8**

The notes on pages 33 to 59 are an integral part of these interim condensed consolidated financial statements.

Interim condensed consolidated cash flow statement

For the six months period ended 30 June

	Notes	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before income tax		**(4,917.1)**	**3,744.3**
Adjustments for:			
Net loss / (gain) from change in fair value of investments	3.1	5,703.8	(3,333.0)
Finance (income) and expenses	3.10	(574.8)	(166.8)
Share-based payment (income) / expenses	3.6,3.12	166.4	68.9
Changes in other assets and liabilities from operating activities:			
(Net increase) / decrease in loans	3.2	(4.1)	(162.9)
(Net increase) / decrease in other assets	3.3	(9.8)	(6.2)
Net increase / (decrease) in other liabilities	3.9	23.1	13.1
(Payments) on acquisition of / proceeds from sale of investments	3.1	(1,404.4)	(265.4)
Interest and foreign exchange results		9.9	(40.2)
Income taxes paid and withholding taxes	3.13	(0.5)	(0.1)
Net cash (used in) operating activities		**(1,007.5)**	**(148.3)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Contribution owners of the parent		410.9	13.6
Repayment of share premium to owners of the parent and cancellation of shares	3.5	(705.3)	(91.4)
Transactions with non-controlling interests		825.6	-
Proceeds from borrowings	3.7	1,017.1	497.2
Interest paid	3.10	(150.7)	(148.6)
Capital repayments on redeemable shares		-	(34.7)
Other	3.9	(0.8)	(0.3)
Net cash from financing activities		**1,396.8**	**235.8**
Cash and cash equivalents at beginning of period	3.4	**3,759.5**	**2,674.2**
Net cash (used in) operating activities		(1,007.5)	(148.3)
Net cash from financing activities		1,396.8	235.8
Effect of exchange rate fluctuations on cash and cash equivalents		(95.8)	5.7
Cash and cash equivalents at end of period		**4,053.0**	**2,767.4**

The notes on pages 33 to 59 are an integral part of these interim condensed consolidated financial statements.

Notes to the interim condensed consolidated financial statements

1. General information

JAB Holding Company S.à r.l. (the "Company") is a company domiciled in Luxembourg. The address of the Company's registered office is 4, Rue Jean Monnet, L-2180 Luxembourg (R.C.S. Luxembourg B 164.586). The Company is a global leading investor in consumer goods and services, with the ambition to develop resilient, high-performing and sustainable businesses. The Company makes long-term investments in premium brands and categories that align with shifting consumer preferences. As of 30 June 2022, the Company’s main shareholder is Joh. A. Benckiser B.V.

The Company is an entity that obtains funds from investors for the purpose of providing those investors – directly or indirectly through its consolidated subsidiaries (together “the Group”) – with investment management services. The funds are invested solely for returns from capital appreciation and investment income. The Group measures and evaluates the performance of substantially all its investments on a fair value basis.

These interim condensed consolidated financial statements as at and for the six months period ended 30 June 2022 comprise the Company and its subsidiaries.

They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last financial statements.

The Group’s scope of consolidation changed as of 31 December 2021. Comparative information regarding interim condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement refers to the scope of consolidation before changes. Therefore, interperiod comparability of information is limited. A detailed explanation of the change in scope of consolidation is provided in the Annual Report 2021 on pages 34 and 35.

The Group holds several strategic investments in controlled and non-controlled entities. As of 30 June 2022 and 31 December 2021, the Group invested in the following significant subsidiaries and other investments:

- Acorn Holdings B.V., Netherlands
- Pret Panera III G.P., USA
- JAB Indulgence B.V., Netherlands
- Petcare Holding LP, USA
- JAB Pet Holdings Ltd., UK
- Cottage Holdco B.V., Netherlands
- JAB Ventures B.V., Netherlands

2. Accounting policies

2.1. Statement of compliance

The interim condensed consolidated financial statements for the six months period ended 30 June 2022 have been prepared applying the same accounting policies as are applied in the Group's financial statements as at 31 December 2021, except for the adoption of new and amended standards as set out below.

JAB Group's annual financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The interim condensed consolidated financial statements for the six months period ended June 2022 have been prepared in accordance with IAS 34 - Interim Financial Reporting as adopted by the European Union.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual consolidated financial statements for the year ended 31 December 2021, as they provide an update of previously reported information.

The interim condensed consolidated financial statements are presented in US Dollar ($) which is the Company's functional currency.

2.2. Significant accounting judgements, estimates and assumptions

The interim condensed consolidated financial statements require the management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended 31 December 2021.

Since the end of the last annual reporting period, the conflict between Russia and Ukraine led to the start of the Russian military action on 24 February 2022. The armed conflict affects the international economic outlook, increasing global uncertainty and reinforcing trends and risks already in place in the path to recovery post-pandemic.

Governments and authorities worldwide, including the United States and the European Union, have imposed sanctions on Russia. These and any additional sanctions, as well as any potential responses that may be provided by the governments of Russia or other jurisdictions, adversely affect business and may do so in the future.

At of the date of the signing of these interim condensed consolidated financial statements there are no material impacts from the above mentioned matter in the Group's business. Management is continuously monitoring the developments of the conflict to assess any potential future impacts that may arise as a result of the ongoing crisis.

2.3. Consolidation

There were no material changes in the composition of the Group in the six months period ended 30 June 2022.

2.4. Accounting policies and disclosures

New standards, amendments, and interpretations

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing 1 January 2022:

- Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16
- Reference to Conceptual Framework – Amendments to IFRS 3
- Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37
- Annual Improvements to IFRS Standards 2018 - 2020

The amendments listed above did not have any impact on the amounts recognised in current and prior periods and are not expected to significantly affect future periods.

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing these interim condensed consolidated financial statements.

2.5. Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Generally, purchases and sales are accounted for at the settlement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the principal or, in its absence, the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible for the Group.

The most reliable evidence of fair value is quoted prices in an active market. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Valuation techniques include using recent at arm's length transactions, reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible.

3. Notes to the Accounts

3.1. Investments

3.1.1. Investments in subsidiaries

The following subsidiaries are consolidated in the Group's consolidated financial statements as of 30 June 2022:

Company 30 June 2022	*Registered*	*Economic ownership in %*[1] Parent	NCI
JAB Holding Company S.à r.l.	Luxembourg	parent company	-
JAB Investments S.à r.l	Luxembourg	99.9%	0.1%
JAB Holdings B.V.	Netherlands	100.0%	-
JAB Forest B.V.	Netherlands	100.0%	-
Pret Panera Holdings B.V. [2]	Netherlands	57.4%	42.6%
Petcare G.P. [3]	USA	35.9%	64.1%
JAB Pet Services B.V. [4]	Netherlands	40.0%	60.0%
JAB Coffee & Beverages B.V. [5]	Netherlands	85.6%	14.4%
JAB Holding Sao Paulo Ltda.	Brazil	100.0%	-
JAB Partners (UK) Ltd.	UK	100.0%	-
JAB Holding Company, LLC	USA	100.0%	-

The following subsidiaries were consolidated in the Group's consolidated financial statements as of 31 December 2021:

Company 31 December 2021	*Registered*	*Economic ownership in %*[1] Parent	NCI
JAB Holding Company S.à r.l.	Luxembourg	parent company	-
JAB Investments S.à r.l	Luxembourg	99.9%	0.1%
JAB Holdings B.V.	Netherlands	100.0%	-
JAB Forest B.V.	Netherlands	100.0%	-
Pret Panera Holdings B.V. [2]	Netherlands	57.4%	42.6%
Petcare G.P. [3]	USA	36.1%	63.9%
JAB Pet Services B.V. [4]	Netherlands	40.0%	60.0%
JAB Coffee & Beverages B.V. [5]	Netherlands	85.6%	14.4%
JAB Holding Sao Paulo Ltda.	Brazil	100.0%	-
JAB Partners (UK) Ltd.	UK	100.0%	-
JAB Holding Company, LLC	USA	100.0%	-

1 *Above presentation of economic ownership of parent and NCI in the platform entities is based on the direct interest held either by JAB Holdings B.V. or JAB Forest B.V. Indirect NCI resulting from minor NCI shares in JAB Investments S.à r.l. are not included in the calculation of economic ownership.*

2 *The Group holds 59.0% of the voting rights in Pret Panera Holdings B.V.*

3 *The Group controls Petcare G.P. by virtue of agreements with its co-investors.*

4 *The Group holds 100.0% of the voting rights in JAB Pet Services B.V.*

5 *The Group holds 100% of the voting rights in JAB Coffee & Beverages B.V.*

Notes to the interim condensed consolidated financial statements (continued)

The following table gives an overview of material non-consolidated investments in subsidiaries at period end:

Entity	*Principal place of business*	*Proportion of ownership interest* 30 June 2022 in %	*Proportion of ownership interest* 31 Dec. 2021 in %	*Fair Value of ownership interest* 30 June 2022 in $m	*Fair Value of ownership interest* 31 Dec. 2021 in $m
Acorn Holdings B.V.	Netherlands	99.6	99.6	21,043.4	22,255.4
Coffee & Beverages				**21,043.4**	**22,255.4**
Pret Panera III G.P.	USA	86.3	86.3	8,513.0	8,761.2
Fast Casual Restaurants				**8,513.0**	**8,761.2**
JAB Indulgence B.V.	Netherlands	100.0	100.0	686.3	1,081.9
Indulgence				**686.3**	**1,081.9**
Petcare Holding LP	USA	98.0	97.9	12,665.9	14,357.6
Petcare				**12,665.9**	**14,357.6**
JAB Pet Holdings Ltd.	UK	100.0	100.0	1,075.1	580.6
Pinnacle Pet Holdings Ltd.	UK	0.1	-	0.5	-
Pet Insurance [1]				**1,075.6**	**580.6**
Cottage Holdco B.V.	Netherlands	100.0	100.0	3,608.7	4,739.7
JAB Luxury S.à r.l.	Luxembourg	100.0	100.0	58.7	222.1
Beauty & Luxury				**3,667.4**	**4,961.8**
Other				201.0	272.4
Intra-group investment elimination				(806.8)	(861.1)
Total				**47,045.8**	**51,409.8**

1 *Former „Pet Health Service*

Notes to the interim condensed consolidated financial statements (continued)

A detailed reconciliation from the investments as of beginning of the period to the investments as of the end of period for both level II and level III investments:

	Coffee & Beverages in $m	Fast Casual Restaurants in $m	Indulgence in $m	Petcare in $m	Pet Insurance in $m	Beauty & Luxury in $m	Other in $m	Intra-group investment elimination in $m	Total in $m
Balance as of 31 December 2021	**22,255.4**	**8,761.2**	**1,081.9**	**14,357.6**	**580.6**	**4,961.8**	**272.4**	**(861.1)**	**51,409.8**
Additions / contributions	-	-	-	850.0	495.0	45.8	-	-	1,390.8
Disposals / distributions	(54.0)	-	-	-	-	-	(3.0)	-	(57.0)
Change in fair value	(1,158.0)	(248.2)	(395.6)	(2,541.7)	-	(1,340.2)	(68.4)	-	(5,752.1)
Intra-group investment elimination	-	-	-	-	-	-	-	54.3	54.3
Balance as of 30 June 2022	**21,043.4**	**8,513.0**	**686.3**	**12,665.9**	**1,075.6**	**3,667.4**	**201.0**	**(806.8)**	**47,045.8**

Notes to the interim condensed consolidated financial statements (continued)

Coffee & Beverages

As of 30 June 2022, the Group is indirectly invested in Keurig Dr Pepper Group (KDP) and JDE Peet's (JDEP) through its investment in Acorn Holdings B.V., via its consolidated subsidiary JAB Coffee & Beverages B.V. which is held together with a non-controlling interest from JCP.

In the six months period ended 30 June 2022, the Group distributed shares in KDP ($54.0m) to JCP, it's non-controlling shareholder.

Fast Casual Restaurants

As of 30 June 2022, the Group is indirectly invested in Pret A Manger, Panera Brands and Espresso House through its investment in Pret Panera III G.P., via its consolidated subsidiary Pret Panera Holdings B.V. which is held together with a non-controlling interest from JCP.

Indulgence

As of 30 June 2022, the Group is indirectly invested in Krispy Kreme through its investment, JAB Indulgence B.V.

Petcare

As of 30 June 2022, the Group is indirectly invested in National Veterinary Associates Group (NVA) through its investment Petcare Holdings LP, via its consolidated subsidiary Petcare G.P which is held together with a non-controlling interest from JCP.

In the six months period ended 30 June 2022, the Group increased its investment in Petcare by $850.0m.

Pet Insurance

The Group is indirectly invested in Independence Pet Group and Pinnacle Pet Group through JAB Pet Holdings Ltd.

In the six months period ended 30 June 2022, the Group increased its investment in Pet Insurance by $495.0m.

Beauty & Luxury

The Group is indirectly invested in Coty Inc. through Cottage Holdco B.V., being the Group's investment As of 30 June 2022, Cottage Holdco B.V. holds 54.1% (453,853,684 shares) in Coty Inc.

Other

As of 30 June 2022, the Group is directly and indirectly invested in several other non-consolidated investments in subsidiaries which are grouped into Other.

In the six months period ended 30 June 2022, the Group received $3.0m of distributions.

Intra-group investment elimination

As of 30 June 2022, the intra-group investment elimination was $806.8m unallocated to a single platform.

In the six months period ended 30 June 2022, the intra-group investment elimination decreased by $54.3m reflecting the change in fair value of the Group's intra-group investments.

The net gain/(loss) and dividend income from investments in non-consolidated subsidiaries at FVTPL is detailed below:

	Net gain/(loss) on non-consolidated investments in subsidiaries at FVTPL		Dividend income from non-consolidated investments in subsidiaries at FVTPL		Total net income from non-consolidated investments in subsidiaries at FVTPL	
	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m
Coffee & Beverages	(1,158.0)	(20.2)	277.3	125.7	(880.7)	105.5
Fast Casual Restaurants	(248.2)	886.6	-	-	(248.2)	886.6
Indulgence	(395.6)	53.4	-	227.5	(395.6)	280.9
Petcare	(2,541.7)	1,127.6	-	-	(2,541.7)	1,127.6
Beauty & Luxury	(1,340.2)	1,003.6	105.2	-	(1,235.0)	1,003.6
Others	(0.2)	63.5	50.6	-	50.4	63.5
Total	**(5,683.9)**	**3,114.5**	**433.1**	**353.2**	**(5,250.8)**	**3,467.7**

3.1.2. Other Investments

The following table gives an overview of other investments at end of the period:

	30 June 2022		30 June 2021	
	Short-term in $m	Long-term in $m	Short-term in $m	Long-term in $m
Corporate debt securities	-	244.0	-	213.8
Others	-	86.3	-	86.6
Total	**-**	**330.3**	**-**	**300.4**

Corporate Debt Securities

The fair value of the vested warrants of $244.0m as of 30 June 2022 (31 December 2021: $213.8m). was determined using the fair value of the Panera Brands, Inc. ordinary share price, for the warrants that are exercisable at the reporting date. Unvested warrants were valued at zero as of 30 June 2022.

The movements in other investments (including derivatives) can be detailed as follows:

	Corporate debt securities in $m	Others in $m	Total in $m
Balance as of 31 December 2021	**213.8**	**86.6**	**300.4**
Additions	-	30.5	30.5
Change in fair value	30.2	(50.1)	(19.9)
Balance as of 30 June 2022	**244.0**	**67.0**	**311.0**
thereof other investments	244.0	86.3	330.3
thereof other liabilities from derivatives	-	(19.2)	(19.2)

The net gain/(loss) on other investments and other liabilities at FVTPL and dividend income from other investments at FVTPL is detailed below:

	Net gain/(loss) on Other Investments		Dividend Income from Other Investments		Total net Income from Other Investments	
	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m
Corporate debt securities						
Panera Brands, Inc.	30.2	219.3	-	5.3	30.2	224.6
Others						
Others	(50.1)	(0.7)	0.9	-	(49.2)	(0.8)
Total	**(19.9)**	**218.6**	**0.9**	**5.3**	**(19.0)**	**223.9**

Other net gain / (loss) includes other investments and liabilities from derivatives in financial assets.

3.1.3. Investment in subsidiaries valuation

For information on the fair value hierarchy applied by the Group, refer to note 4 Financial Instruments – Fair Value and Risk Management. The Group qualifies its investments in subsidiaries in Level 1, Level 2 and Level 3 financial assets:

Level 1

The fair value of financial assets in this category is based on observable inputs only. As of 30 June 2022, the Group's assets in this category include other investments (31 December 2021: other investments).

Level 2

The fair value of financial assets in this category is based on valuation techniques maximising the use of observable market data. As of 30 June 2022 and 31 December 2021, the Group's assets in this category include Cottage Holdco B.V. which holds an underlying investment in the public listed company Coty Inc. and other investments.

Level 3

The fair value of financial assets in this category is based on different unobservable inputs and observable inputs. As of 30 June 2022, the Group's assets in this category include investments in Acorn Holdings B.V., Pret Panera III G.P, JAB Indulgence B.V., Petcare Holdings L.P., JAB Pet Holdings Ltd., JAB Luxury S.à r.l. and JAB Ventures B.V. (2021: Acorn Holdings B.V., Pret Panera III G.P, JAB Indulgence B.V., Petcare Holdings L.P., JAB Pet Holdings Ltd., JAB Luxury S.à r.l. and JAB Ventures B.V.), none of which are directly quoted in an active market. Unobservable inputs include LTM/NTM results, peer multiples and other observable inputs include JDE Peet's and KDP share price within Acorn Holdings B.V. as well as Krispy Kreme share price within JAB Indulgence B.V.

Valuation process

The Group uses market-based valuation techniques for its level 3 fair value investments. The market-based valuations are prepared by the Group. The Group receives support in this valuation process from an external service provider. The Group's investment platforms hold stakes in private and public companies (together referred to as 'underlying investments'). The valuations of the underlying investments are reviewed by the valuation committees, which comprise of independent and executive board members of those underlying investments and the Group. Once the valuation committee has unanimously approved the valuations, the Group aggregates the valuations of the underlying investments in line with the investment platform structures. Other assets and liabilities are considered in the valuation, together with the aggregated underlying investments against their respective ownership stake. The platform valuations are subsequently approved by the Directors of the platform investments.

Valuation method – public companies

For underlying investments that are publicly traded (KDP, Coty, JDE Peet's and Krispy Kreme), fair value is determined by reference to the quoted market price on the reporting date.

Valuation method – private companies - price of a recent transaction

Underlying investments of private companies that were acquired recently, generally within the last year, or for which a recent market transaction is available, are measured at the transaction price, except where the underlying company's economic performance (e.g. operations, financial position and liquidity) has significantly changed. As part of the analysis, the Group calibrates the price of a recent transaction by using a market approach on a case by case basis.

Valuation method – private companies - comparable market multiples approach

This valuation method is applied for underlying investments which are not quoted in an active market. In using the market-multiple method, to determine the fair value of an underlying investment, a market multiple is established based on a selected group of comparable publicly traded peer group companies that is considered representative of the underlying investment. Determination of the peer group companies is generally based on the risk profile, growth prospect, strength of brand or brand portfolio, leverage and certain other financial characteristics (e.g. market capitalization, EBITDA margin levels, market leadership, recession resilience, etc).

The multiples selected are the median of the comparable publicly listed companies and are applied to the figures of the underlying investments as of 30 June 2022 and 31 December 2021. In addition, adjustments between the enterprise value and the equity value are made for financial debt, and, where relevant, for non-controlling interest and financial assets.

The main elements and related sensitivities in the valuations of the privately held underlying investments are:

- The formula of weighted average multiples which include the selected ratios for: price earnings ("P/E"), EV/EBITDA and EV/Sales;
- The multiples of comparable public companies in the peer group based on industry, size, leverage and strategy;
- The selection of forward looking (NTM) or historical market multiples (LTM) for selected peers; and
- The financial inputs from the portfolio companies.

Other considerations

The valuation methods have been applied consistently over time, for which by exception amendments were made due to triggering events (e.g. COVID-19, other macroeconomic events). In the event of the occurrence of a triggering event, such event has been and will be disclosed.

The following table summarises key unobservable inputs for the underlying investments used within the Level 3 fair value measurement of investments in subsidiaries:

	Fair value				Range	
Company	**30 June 2022** Level 3	**31 Dec. 2021** Level 3	**Valuation technique**	**Input**	**30 June 2022**	**31 Dec. 2021**
Investments in subsidiaries	43,437.1	46,670.1	Publicly listed	Quotes share price	N/A	N/A
			Transaction price	Price of a recent transaction	N/A	N/A
			Comparable companies	EBITDA multiples (NTM)	6.8 – 19.2	8.2 – 24.8
			Comparable companies	Sales multiples (NTM)	1.1 – 3.2	1.3 – 4.8
			Comparable companies	P/E multiples (NTM)	14.1 – 27.4	17.8 – 40.0

Notes to the interim condensed consolidated financial statements (continued)

Underlying investments valued based on a market approach using comparable companies multiples technique are valued using NTM multiples (Pret Panera III G.P., Petcare Holding LP and JAB Luxury S.à r.l.; 31 December 2021: Pret Panera III G.P., Petcare Holding LP and JAB Luxury S.à r.l.)

On 9 November 2021, Panera Brands, an investment held through Pret Panera III G.P., announced its intention to explore an IPO sometime during 2022. The current valuation of Panera Brands was made as of 30 June 2021 and was not updated in the light of the IPO, though concluded to be relevant and appropriate for Panera Brands' fair value as of 31 December 2021 and 30 June 2022. Updates were made to the share count, vested warrants and net debt as of 30 June 2022 leading to a minor change in the share price and fair value of the ordinary shares and warrants.

As of 30 June 2022, NVA, an investment held through Petcare Holding LP (31 December 2021: 4 quarters ending December 2022), Pret A Manger, an investment held through Pret Panera III G.P. (31 December 2021: 4 quarters ending December 2023), and Bally AG, an investment held through JAB Luxury S.à r.l. (31 December 2021: 4 quarters ending December 2022), are valued using financial metrics for CY2023E for its market multiple approach.

A weighting is applied to the multiples used to determine the fair value of the investment. The weighting applied depends on various circumstances include the stage at which the company is, resulting in the following weightings:

	30 June 2022			31 December 2021		
Company	EV/EBITDA	P/E	EV/Sales	EV/EBITDA	P/E	EV/Sales
Petcare	50%	50%	-	50%	50%	-
Pret Panera	40%	40%	20%	40%	40%	20%
JAB Luxury	20%	20%	60%	20%	20%	60%

Sensitivity analysis to unobservable inputs

Changes in the valuation methodologies or assumptions could lead to different measurements of fair value. The most significant unobservable inputs are the applied multiples. The estimated fair value would increase (decrease) if the adjusted market multiples were higher (lower). A change of the applied multiples by 10% would change the fair value estimate as follows:

	30 June 2022		31 December 2021	
Company	Increase in $m	Decrease in $m	Increase in $m	Decrease in $m
Petcare	1,404.4	(1,404.4)	1,836.5	(1,836.5)
Pret Panera	1,079.7	(1,079.7)	1,109.6	(1,109.6)
Pet Insurance	107.5	(107.5)	58.1	(58.1)
JAB Luxury	26.9	(26.9)	33.0	(33.0)
	2,618.5	**(2,618.5)**	**3,037.2**	**(3,037.2)**

3.2. Other loans

	30 June 2022 in $m	31 December 2021 in $m
JAB Management	16.6	42.2
Others	0.1	0.1
Total	**16.7**	**42.3**
Current	16.7	42.3

Receivables from JAB management relate to loans that were granted to the Group's management or personal holding companies of the Group's management as part of a management participation plan of the Group.

3.3. Other assets

	30 June 2022 in $m	31 December 2021 in $m
Receivables from shareholders	11.3	14.5
Prepayments	4.9	5.8
Accrued interest	0.2	0.1
Other	30.6	17.2
Total	**47.0**	**37.6**
Current	31.5	18.1
Non-current	15.5	19.5

The prepayments relate to prepaid bank fees, which are amortised over the maturity of the underlying credit facilities or expensed at early termination of such facilities.

3.4. Cash and cash equivalents

Cash and cash equivalents as of 30 June 2022 ($4,053.0m; 31 December 2021: $3,759.5m) include cash on hand ($388.7m; 31 December 2021: $276.2m) and cash equivalents with a maturity of less than 3 months or with short-term liquidity ($3,664.3m; 31 December 2021: $3,483.3m).

The Company and certain subsidiaries have set up a multi-currency notional cash pool arrangement with a financial institution in the Netherlands to manage its global liquidity. Under the arrangement cash deposits in the notional cash pool can be withdrawn within 3 months or less to meet short term liquidity needs.

3.5 Equity

Share capital and share premium

At the end of the reporting period, issued capital comprises of the following numbers of shares:

	30 June 2022		31 December 2021	
	Number by classification	Nominal value	Number by classification	Nominal value
	Equity	In $m	Equity	In $m
Ordinary Class A shares	8,633,945	8.6	8,633,945	8.6
Ordinary Class B shares	846,069	0.8	782,534	0.8
Special Class S shares	1,183,685	1.0	1,157,298	0.9
Class PI shares	106,541	0.1	103,533	0.1
Issued share capital	**10,770,240**	**10.6**	**10,677,310**	**10.5**

10,380,240 shares have a nominal value of $1.0 and 390,000 shares have a nominal value of $0.5.

The movement in total issued share capital was as follows:

	Ordinary Class A shares	Ordinary Class B shares	Special Class S shares	Class PI shares	Total shares
	In $m	In $m	In $m	In $m	In $m
Balance as of 31 December 2021	**8,633,945**	**782,534**	**962,298**	**103,533**	**10,482,310**
Shares issued for cash	-	69,861	98,392	3,008	171,261
Decrease in share capital	-	(18,479)	(245,338)	-	(263,817)
Share-based payment transactions	-	12,153	173,333	-	185,486
Balance as of 30 June 2022	**8,633,945**	**846,069**	**988,685**	**106,541**	**10,575,240**

Decrease in share capital includes conversions and redesignation of shares between the share classes.

Share-based payments reserve

Refer to note 3.6 Share-Based Payments

Foreign currency translation reserve

The translation reserve comprises all currency differences arising from the translation of financial statements of operations into the Group's presentation currency, being the US Dollar.

Retained earnings

In the six months period ended 30 June 2022, no dividend was paid to the equity shareholders.

Non-controlling interests

Non-controlling interests (NCI) represent that part of the net results and net assets of a subsidiary that is attributable to interests which are not owned, directly or indirectly through subsidiaries, by the Group.

The movements in non-controlling interests were as follows:

	Non-controlling interests in $m
Balance as of 31 December 2021	**16,543.7**
Share-based payment transactions	3.9
Transactions with non-controlling interests	771.7
(Loss) for the period	(1,835.2)
Balance as of 30 June 2022	**15,484.1**

3.6. Share-Based Payments

The Group operates different types of share-based compensation agreements with the members of the Investment Committee as well as with members of its management team and other employees.

Those arrangements include share grant agreements, share option schemes and loan funded share purchases. While the arrangements are basically settled in the Company's shares, there are minor individual agreements, which are based on shares in other Group entities.

Further, the members of the Investment Committee as well as members of its management team and other employees of the Company and its affiliates were given the opportunity to acquire shares in the Company at fair value.

Share grant agreements

The Group operates various types of share grant agreements. The entitlement to the share grants is awarded conditionally, subject to fulfilment of service conditions between the grant date and the vesting date. The share grants have graded vesting or cliff vesting features and typically vest over a service period of 5 years.

The fair value of share grants is the share price at grant date. In the six months period ended 30 June 2022, 3,591 share grants (six months ended 30 June 2021: 20,496) were awarded. The share grants are funded by newly issued shares at the time of grant subject to clawback. The impact of service conditions is not included in the fair value measurement of the grant. It is expected that all service conditions are fully met.

The following table illustrates the number and weighted average exercise prices of, and movements in, share awards based on the Company's shares during the period.

	Number of share awards 30 June 2022	*Weighted average grant date fair value* 30 June 2022 in $	*Number of share awards* 30 June 2021	*Weighted average grant date fair value* 30 June 2021 in $
Balance of unvested share awards at beginning of period	**23,544**		**3,006**	
Granted during the period	3,591	$2,648	20,496	$2,014
Lapsed during the period	-		-	
Vested during the period	3,217		2,161	
Balance of unvested share awards at end of period	**23,918**		**21,341**	

Because the investment agreements concern different classes of shares the table was calculated on an adjusted basis as if all share grants comprise of the Company's ordinary Class B shares. Awards including discounts for share purchases were converted to the discount's fair value equivalent in Ordinary Class B shares.

The expense recognised arising from share grant agreements during the period was $12.3m (six months ended 30 June 2021: $14.9m).

As of 30 June 2022, the unrecognised expense related to share grant agreements amounts to $29.9m (31 December 2021: $32.9m). That expense is expected to be realised over a weighted average period of 4 years (31 December 2021: 4 years).

Share option schemes

The share options have graded vesting or cliff vesting features and they vest over a service period of 5 years. Options may be exercised at any time from the vesting date to the date of their expiry (10 years from the grant date). All options related to share-based compensation plans were granted with an exercise price (in USD) being an approximate to the fair value of the underlying shares at the grant date.

Share option schemes include special shares with appreciation rights which have comparable economic effects to options. Those special shares are included in the following disclosures on an option equivalent basis.

The net value of an option is determined by the amount, if any, by which the share price at the exercise date exceeded the strike price.

The fair value of each option granted is estimated using the Black-Scholes option-pricing model. The weighted average fair value of the options granted during the six months period ended 30 June 2022 was $1,070 (31 December 2021: $847).

The following table lists the weighted average inputs for the fair value measurement at the grant date for options granted during the period:

	Grant date measurement 2022	*Grant date measurement* 2021
Dividend yield	0.7%	0.7%
Expected volatility	35.0%	35.0%
Risk-free interest rate	2.5%	0.9%
Expected life of options	7.5 years	7.5 years
Exercise price (USD)	$2,593	$2,025
Average share price (USD)	$2,593	$2,025

The expected life of the options is based on management's estimate and is below the contractual life. The expected volatility is based on a peer group analysis using historical information.

The following table illustrates the number and weighted average exercise prices of, and movements in, share option schemes during the six months period ended 30 June 2022:

	Number of options 30 June 2022	*Weighted average exercise price* 30 June 2022 in $	*Number of options* 30 June 2021	*Weighted average exercise price* 30 June 2021 in $
Balance at beginning of period (outstanding)	**1,486,905**	**2,036**	**974,470**	**1,902**
Granted during the period	348,773	2,759	99,070	2,025
Lapsed during the period	363,377	1,804	-	-
Exercised during the period	205,168	1,633	-	-
Expired during the period	-	-	-	-
Balance at end of period (outstanding)	**1,267,133**	**2,367**	**1,073,540**	**1,913**
Vested and exercisable at end of period	**0**	**-**	**2,400**	**1,897**

The intrinsic value of vested options is $324.4m as of 31 December 2021.

The weighted-average share price at the date of exercise for share options exercised in the six months period ended 30 June 2022 was $1,633 (in the six months ended 30 June 2021, no options were exercised).

The range of exercise prices for options outstanding at the end of the period was $1,758 to $2,759 (31 December 2021: $1,616 to $2,521) and these outstanding options have a weighted-average remaining contractual life of 6 years (31 December 2021: 5 years).

The expense recognised arising from share option schemes during the period was $129.2m. (six months ended 30 June 2021: $39.2m).

Loan funded share purchase agreements

The Group offers its management the opportunity to participate in share purchase plans funded by limited-recourse loans. Those agreements are classified as a share purchase under IFRS 9 and the outstanding loan is recognised as a financial asset if the investor carries all reasonable losses from the agreement. Otherwise, the agreements are classified as equity-settled option-plans under IFRS 2 and the loan is not recognised as a financial asset. The classification is made on a case-by-case basis.

In the six months period ended 30 June 2022, no loan funded shares purchases under IFRS 9 (six months ended 30 June 2021: 4,966 shares) were realised. As of 30 June 2022, the outstanding loans (including interest) for the funding of those share purchases amount to $13.1m (six months ended 30 June 2021: $42.2m).

In the six months period ended 30 June 2022, no loan funded share purchases under IFRS 2 (six months ended 30 June 2021: 4,265 shares) were realised. As of 30 June 2022, the purchase of 27,645 shares (30 June 2021: 19,785) funded by limited-recourse loans in the amount of $58.1m was accounted for as an equity-settled option plan. The fair value of those agreements is estimated using the Black-Scholes option-pricing model. The expected life of the underlying loans and the vesting period was estimated at five years. The expense recognised arising during the period was $0.7m (30 June 2021: $1.8m).

Other share-based payments

In the six months period ended 30 June 2022, the expense recognised for equity-settled share-based payment agreements with other Group entities was $3.9m (six months ended 30 June 2021: $0m) and the expense for cash-settled share-based payments with other Group entities was $2.3m (six months period ended 30 June 2021: $0m).

In 2020, a member of the management was granted shares in the Company by other shareholders. In 2021, share-option schemes were granted to a member of the management by other shareholders. The Group accounts for those awards as an equity-settled share-based payment transaction in share-based payments reserves in equity and recognises the expense over the vesting period.

The expense recognised for the period arising from those share-based payments during the period was $17.5m (30 June 2021: $7.4m).

3.7 Borrowings

	Borrowings in $m
Balance as of 31 December 2021	**9,811.8**
Proceeds from issuance of bonds	1,008.3
Amortisation of disagio and fees	6.7
Translation differences	(744.2)
Balance as of 30 June 2022	**10,082.6**
Current	1,210.5
Non-current	8,872.1

Overview of borrowings

Note	Issued	Due	Original Principal in m	Remaining Principal in m	Coupon	Carrying Value 30 June 2022 in $m	Carrying Value 31 Dec. 2021 in $m	Fair Value 30 June 2022 in $m
Eurobond 2025	Apr. 2015	Apr. 2025	€ 600	€ 600	1.625%	619.5	675.2	595.6
Eurobond 2022	Sep. 2015	Sep. 2022	€ 750	€ 524	2.125%	544.0	592.7	546.1
Eurobond 2023	May 2016	May 2023	€ 750	€ 642	1.750%	666.5	726.5	666.1
Eurobond 2024	May 2017	May 2024	€ 750	€ 664	1.250%	687.8	749.4	670.1
Eurobond 2028	May 2017	May 2028	€ 750	€ 750	2.000%	771.2	841.0	690.0
Eurobond 2026	June 2018	June 2026	€ 750	€ 750	1.750%	773.0	842.7	725.4
Eurobond 2029	June 2018	June 2029	€ 750	€ 750	2.500%	774.9	845.1	689.5
Eurobond 2027	Dec. 2019	Dec. 2027	€ 750	€ 750	1.000%	769.6	839.2	663.1
Eurobond 2039	Dec. 2019	Dec. 2039	€ 750	€ 750	2.250%	763.3	833.3	505.0
Eurobond 2039	Jan.2020	Dec. 2039	€ 175	€ 175	2.000%	187.2	203.8	141.8
Eurobond 2027	Apr. 2020	Apr. 2027	€ 500	€ 500	2.500%	514.3	560.6	492.2
Eurobond 2035	Apr. 2020	Apr. 2035	€ 500	€ 500	3.375%	511.0	557.6	438.3
Senior Note 2030	Nov. 2020	Nov. 2030	$ 500	$500	2.200%	495.1	494.8	396.4
Senior Note 2051	May 2021	May 2051	$ 500	$500	3.750%	490.9	490.8	343.5
Eurobond 2031	July 2021	July 2031	€ 500	€ 500	1.000%	512.4	559.1	382.4
Senior Note 2052	April 2022	April 2052	$ 500	$ 500	4.500%	484.7	-	390.3
Eurobond 2032	June 2022	June 2032	€ 500	€ 500	4.750%	517.2	-	518.2
						10,082.6	**9,811.8**	**8,854.0**

In April and June 2022, the Group issued a sustainability-linked note (Senior Note 2052) with a nominal value of $500m at an interest rate of 4.5% and a sustainability-linked note (Eurobond 2032) with a nominal value of €500m at an interest rate of 4.75%. When issuing the notes, the Group committed to meet certain sustainability targets between 2025 and 2030.

For the Senior Note 2052, these targets relate to the reduction of Scope 1 and 2 GHG emissions, to a minimum percentage of Portfolio Companies to set SBTi-approved targets and to a minimum representation of biological or self-identified women in non-executive board positions in the portfolio companies. For the Eurobond 2032, these targets relate to the reduction of Scope 1 and Scope 2 GHG emissions and to a minimum percentage of Portfolio Companies to set SBTi-approved targets.

For the Senior Note 2052, the coupon rate would be raised by up to 0.25% (commencing in October 2031) per annum depending on the number of targets missed. For the Eurobond 2032, the coupon rate would be raised by up to 0.1% (commencing in June 2026) and up to 0.85% (commencing in June 2031) per annum depending on the number of targets missed. The accounting (effective interest) for the Senior Note 2052 and the Eurobond 2032 is based on the assumptions that the targets will be met.

The Eurobonds (except for Eurobond 2039 issued in 2020) are traded on the EuroMTF Market, operated by the Luxembourg Stock Exchange. Senior Notes are a private placement in the US market.

The Group has access to a €3.0 billion undrawn credit facilities totalling $3.1 billion (31 December 2021: $3.4 billion). As of 30 June 2022 and 31 December 2021, the Group had no outstanding balance under its credit facilities.

3.8. Related party payables

JAB Ventures B.V., a subsidiary of JAB Holdings B.V. and outside the scope of JCP, invests in non-controlling minority stakes in growth or undervalued companies, both private and public. The Group has received a short-term intra-company loan from JAB Ventures B.V. As of 30 June 2022, the Group has $1,008.0m outstanding under the intra-group loan (31 December 2021: $1,087.3m).

3.9. Other liabilities

	30 June 2022 in $m	31 December 2021 in $m
Foreign exchange contracts	64.3	-
Accrued interest and other bank fees	52.1	89.9
Cash-settled share-based payments	22.3	18.8
Other investments	19.2	-
Lease liability	8.1	9.7
Trade and other payables	36.4	25.9
Total	**202.4**	**144.3**
Current	168.6	118.6
Non-current	33.8	25.7

The liability from foreign exchange contracts relates to the derivative's fair value. Hedge accounting is not applied.

3.10. Finance income and expenses

Finance income can be detailed as follows:

	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m
Interest income	9.6	1.9
Net foreign exchange gain	683.0	277.6
Other	0.5	-
Total	**693.1**	**279.5**

In the six months period ended 30 June 2022, foreign exchange gains mainly result from the translation of borrowings denominated in EUR to USD.

Finance expenses can be detailed as follows:

	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m
Interest expense	(111.9)	(105.6)
Bank fees	(6.4)	(7.1)
Total	**(118.3)**	**(112.7)**

3.11. General and administrative expenses

General and administrative expenses can be detailed as follows:

	For the six months ended 30 June 2022 in $m	For the six months ended 30 June 2021 in $m
Salary and personnel related expenses	(15.5)	(5.7)
Consulting fees, service fees and others	(32.5)	(39.4)
Total	**(48.0)**	**(45.1)**

3.12. Other income / expense

Other income and expense can be detailed as follows:

	For the six months ended 30 June 2022 in $m	*For the six months ended 30 June 2021* in $m
Expenses from share-based payments (equity-settled)	(166.4)	(68.9)
Other	(7.7)	-
Total	**(174.1)**	**(68.9)**

3.13. Income tax

	For the six months ended 30 June 2022 in $m	*For the six months ended 30 June 2021* in $m
Withholding tax on dividends and finance income	(0.2)	(0.1)
Income tax and federal taxes	(0.3)	-
Total	**(0.5)**	**(0.1)**

Dividends and finance income can be subject to withholding taxes. These dividends are tax exempt under the Dutch participation exemption. Withholding taxes have been recognised as part of income tax expense, with dividend income recognised on a gross basis.

3.14. Related parties

The related parties are disclosed in the consolidated financial statements 2021. Related party transactions which have taken place in the period and have materially affected the Interim Condensed Consolidated financial statements are disclosed in the notes to the Interim Condensed Consolidated financial statements.

3.15. Contingent liabilities

As of 30 June 2022, the Group provides no material guarantees for third parties.

JAB Holdings B.V. and Cottage Holdco B.V. (the "Group Companies") are defendants in a stockholder class action and derivative lawsuit, which the complaint alleges have all acted in concert to control Coty Inc. The plaintiffs, stockholders of Coty Inc., allege that controlling stockholders of Coty Inc. breached fiduciary duties to the non-controlling stockholders in connection with a partial tender offer for shares of Coty Inc. Plaintiffs contend that the tender offer injured the stockholders who tendered because it was purportedly coercive and unfairly priced. Plaintiffs also contend that the non-tendering stockholders were injured because the Group gained mathematical control of Coty Inc. as a result of the tender offer, thereby depriving the non-controlling stockholders of a control premium. Fact discovery is complete and the parties are now conducting expert discovery; a trial is set to start on November 15, 2022.

4. Financial instruments – Fair Value and Risk Management

4.1. Financial instruments and fair value hierarchy

The Group classifies its financial instruments by category as set out below:

Assets as per statement of financial position

	30 June 2022			31 December 2021		
	Amortised cost	*FVTPL*	*Total*	*Amortised cost*	*FVTPL*	*Total*
	In $m	In $m	In $m	In $m	In $m	In $m
Investments in subsidiaries	-	47,045.8	47,045.8	-	51,409.8	51,409.8
Other investments	-	330.3	330.3	-	300.4	300.4
Other loans	16.7	-	16.7	42.3	-	42.3
Other assets	34.4	-	34.4	24.5	-	24.5
Cash and cash equivalents	4,053.0	-	4,053.0	3,759.5	-	3,759.5
Total	**4,104.1**	**47,376.1**	**51,480.2**	**3,826.3**	**51,710.2**	**55,536.5**

Liabilities as per statement of financial position

	30 June 2022			31 December 2021		
	Amortised cost	*FVTPL*	*Total*	*Amortised cost*	*FVTPL*	*Total*
	In $m	In $m	In $m	In $m	In $m	In $m
Borrowings	10,082.6	-	10,082.6	9,811.8	-	9,811.8
Related party payable	1,008.0	-	1,008.0	1,087.3	-	1,087.3
Other liabilities	96.5	83.5	180.0	125.6	-	125.6
Total	**11,187.1**	**83.5**	**11,270.6**	**11,024.7**	**-**	**11,024.7**

Cash and cash equivalents, as well as other receivables, are subject to the impairment requirements of IFRS 9. As of 30 June 2022 and 31 December 2021, cash and cash equivalents were placed with quality financial institutions and could be withdrawn on short notice. Therefore, the expected credit loss on cash and cash equivalents and other receivables, as well as the identified impairment loss for the other receivables subject to the expected credit loss model, were immaterial.

The following table shows financial instruments carried at fair value by their valuation technique. It does not include fair value information of financial assets and financial liabilities not measured at fair value. The issued long-term notes have a carrying amount of $10,082.6m (31 December 2021: $9,811.8m), the fair value is $8,854.0m (31 December 2021: $10,393.5m) based on dealer-quotes (Level 2). For all other financial assets and liabilities, the carrying amounts are a reasonable independent approximate of fair values.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2.

Financial instruments in Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

30 June 2022	Level 1 In $m	Level 2 In $m	Level 3 In $m	Total In $m
Financial assets at FVTPL				
Investments in subsidiaries				
Listed equity investments	-	-	-	-
Unlisted equity investments	-	3,608.7	43,437.1	47,045.8
Other investments	86.3	-	244.0	330.3
Total financial assets	**86.3**	**3,608.7**	**43,681.1**	**47,376.1**
Financial liabilities at FVTPL				
Other investments	-	19.2	-	19.2
Foreign exchange contracts	-	64.3	-	64.3
Total financial assets	**-**	**83.5**	**-**	**83.5**

31 December 2021	Level 1 In $m	Level 2 In $m	Level 3 In $m	Total In $m
Financial assets at FVTPL				
Investments in subsidiaries and other investments				
Listed equity investments	-	-	-	-
Unlisted equity investments	-	4,739.7	46,670.1	51,409.8
Other investments	75.7	10.9	213.8	300.4
Total financial assets	**75.7**	**4,750.6**	**46,883.9**	**51,710.2**

There were no transfers between the levels in the six months period ended 30 June 2022 (six months ended 30 June 2021: no transfers).

Transfers between the levels of the fair value hierarchy are deemed to have occurred at the date of the event that caused the transfer.

The following tables show a reconciliation of all movements in the fair value of financial instruments, categorised within Level 3, between the beginning and the end of the reporting period.

	Investments in subsidiaries In $m	*Other investments* In $m
Balance as of 31 December 2021	**46,670.1**	**213.8**
Additions / contributions	1,390.8	-
Disposals / distributions	(57.0)	-
Change in fair value	(4,621.1)	30.2
Intra-group investment elimination	54.3	-
Balance as of 30 June 2022	**43,437.1**	**244.0**

Level 3 valuation techniques of equity investments are appropriate in the circumstance and reflect recent transactions and market multiples.

Cash and cash equivalents, loans receivable, loans payable and other assets and liabilities, except for derivative financial instruments, were valued at amortised cost which is a reasonable approximate of fair values.

4.2. Other financial instruments

The Group is party to agreements under which it is obliged to purchase shares from certain non-controlling shareholders of non-consolidated subsidiaries. The Group's obligation to purchase shares under these agreements is contingent on certain events. The Group has qualified the obligations to purchase such investor's interest as financial instruments. As at 30 June 2022 the fair value of these agreements was $0 (31 December 2021: $0), given that either the expected cash outflow was nil, or because the obligation was exercisable at the fair value of the underlying item.

4.3. Overview of financial risk factors

The Group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk;
- market risk.

Moreover, the Group is subject to inherent risks due to its investment activities. The value development of the investments depends on various external and internal factors which also might lead to negative variances from the expected developments.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosure required in the annual consolidated financial statements, and should be read in conjunction with the Group's 31 December 2021 consolidated financial statements. There have been no changes in the risk management policies and procedures since year-end.

4.4. Market risk

Exposure to other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument, its issuer or factors affecting all instruments traded in the market.

Sensitivity analysis – equity price risk

The Group's exposure to changes in share prices of its investments was as follows:

	Carrying amount 30 June 2022 in $m	Carrying amount 30 June 2021 in $m
Investments		
Other investments	86.3	86.6
Other liabilities	(19.2)	-
Total	**67.1**	**86.6**

The sensitivity analyses below have been determined on the exposure to equity price risks for direct investments at the end of the reporting period. If share prices had been 5% higher/lower, profit for the six months period ended 30 June 2022 would have increased/decreased by $4.3m as a result of changes in the fair value of these investments (31 December 2021: $3.8m). Other comprehensive income for the period ended 31 June 2022 and 31 December 2021 would have been unaffected.

Further, the Company has indirect exposure to equity price risk from indirect investments at the end of the reporting period. If share prices had been 5% higher or lower, the result for the period ended 30 June 2022 would have increased/decreased by $1,462.7m as result of changed in the fair value of the equity investments classified as at FVTPL (31 December 2021: $1,609.2m).

5. *Subsequent Events*

The Group's management has evaluated subsequent events through the date of issuance of these interim condensed consolidated financial statements. There have been no significant subsequent events during such period that would require disclosure in these interim condensed consolidated financial statements or would require to be recognised in the interim condensed consolidated financial statements as at and for the six months period ending 30 June 2022.

Luxembourg, 8 September 2022

O. Goudet *Manager*	**F. Engelen** *Manager*

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Report of the Reviseur d'Entreprises agréé

on the review of the interim condensed consolidated financial statements

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of JAB Holding Company S.à r.l. ("the Company") as at 30 June 2022, the interim condensed consolidated statement of profit or loss and other comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated cash flow statement for the six month period then ended, and notes to the interim condensed consolidated financial statements ("the interim condensed consolidated financial statements"). The Board of Managers is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as adopted, for Luxembourg, by the “Institut des Reviseurs d'Entreprises” (“IRE”). A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements do not give a true and fair view of the financial position of the entity as at 30 June 2022, and of its consolidated financial performance and its consolidated cash flows for the six month period then ended in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Luxembourg, 9 September 2022

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COMPANY

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