JAB
Holding Company

Half Year Report 2023

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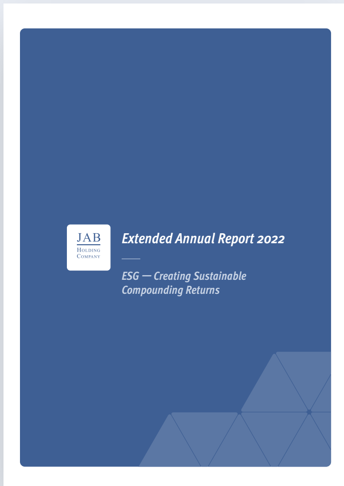

Annual Report 2022 – Extended
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About this Report

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 2023, 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 Integrated Annual Report 2022.

This Report summarizes how we create value over time for our shareholders including our people and investors, as well as how we strive to make a positive impact.

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

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

Highlights

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 Long-Term Investor Group
- Invests Alongside JAB Holding Company
- Raised $23bn+ in Equity Commitments

$50bn+ Managed Capital	**50+** Investment & industry professionals	**6** Global Offices
Unique Platform Investing Approach	Responsible Investing and Stewardship	Attractive Compounding Returns

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

Investment Grade Rated since 2014

Moody's Investors Service — Moody's: Baa1 with stable outlook

S&P Global Ratings — S&P: BBB+ with stable outlook

Responsible and Sustainable Investing Governance

100% of portfolio companies have a sustainability strategy and a strategic sustainability board discussion at least annually*

61% of portfolio companies have SBTi targets committed or approved

Science Based Targets — Driving ambitious corporate climate action

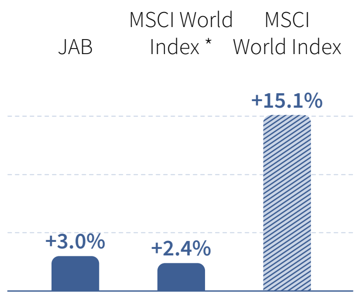
* Portfolio companies acquired > 1 year

Half Year 2023 Highlights & Results

Our all weather investment strategy drives positive shareholder returns June YTD, despite macro uncertainty still being elevated

Investment Return

30 June 2023 - YTD



* *MSCI World Index excl. AAPL, MSFT, AMZN, GOOGL, NVDA, TSLA, META*

After 2022 highlighted the downside of traditional portfolios, the first half of 2023 demonstrated a return to growth as global capital markets appreciated during this period. The MSCI World Index increased +15.1%, mostly driven by the Magnificent Seven* tech stocks. Excluding these stocks, the MSCI World Index returned +2.4%, while the return of our investments was +3.0%.

In our Coffee & Beverage investment platform, KDP demonstrated the strength of its brand portfolio through continued momentum in US Refreshment Beverages and International. JDE Peet's showed strong and resilient in-market performance by delivering mid-single digit top-line growth driven by its premium product portfolio.

Our fast-casual restaurant platform continues to drive unit growth, growth from digital capabilities including loyalty subscription programs, while at the same time demonstrating operational excellence.

In beauty, Coty continued strong organic performance of its iconic brand portfolio by exceeding market expectations thanks to continuous product innovation.

NVA announced the creation of a separately managed specialty business, Ethos Veterinary Health, a landmark moment for JAB's investment in veterinary care. The creation of two unique businesses enhances the locally branded, vet-centric model that has been the cornerstone of NVA.

Our pet insurance platform is experiencing above market organic and inorganic growth as pet parents seek the security provided by insurance coverage particular in times of high inflation. To date, we have acquired 14 businesses in North America and Europe leading to further diversification in our portfolio.

Once again, our portfolio companies posted strong organic revenue growth and profitability, demonstrating the robustness and vitality of their businesses during volatile economic times and inflation.

As of 30 June 2023, our investment portfolio was valued at $49.4 billion, while generating $0.5bn of dividend income in the first half of 2023.

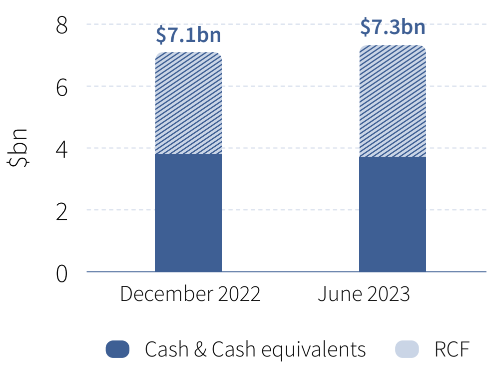
Conservative capital structure and strong liquidity profile

Because of the resilience of our investment portfolio and our conservative capital structure, we redeemed the Eurobond that was due in May 2023. In addition, we issued a new 10-year Eurobond in June 2023.

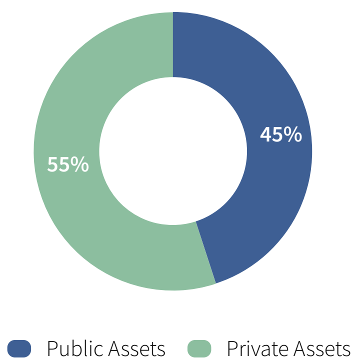
The issuance was >5x over-subscribed in a market that seemed skeptical towards duration risk. Matching long-term investments with long-term liabilities is a critical element in our philosophy and we welcome bond investors that think alike. We also successfully tendered a portion of our 2031 bond, leading to a mark-to-market gain in our P&L.

Our liquidity profile remained strong, including $3.7 bn of cash & cash equivalents and $3.6bn of undrawn credit facilities. Additionally, 45% of our investments are indirectly held in publicly traded companies.

Reported Liquidity



JAB Investment Portfolio



Financial Highlights

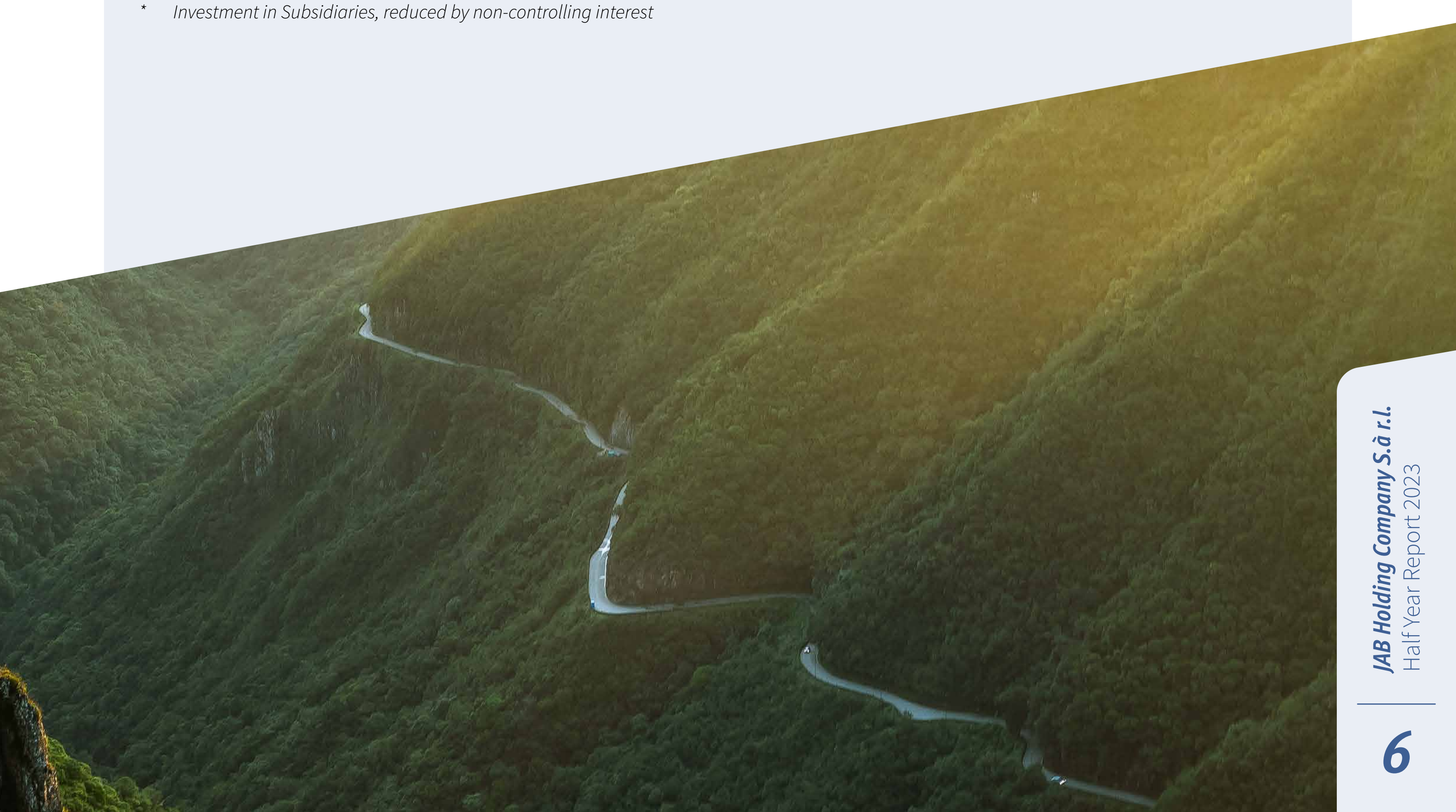
Loan-to-value ratio

As of 30 June 2023, our Loan-to-Value ratio on a reported basis, measuring the relationship between our Net Debt and the value of our Investment Portfolio, was 12.9% and largely unchanged from 31 December 2022. For reference purposes, the Stand-Alone Pro Forma LTV was 19.9% as of 30 June 2023, excluding the effect of non-controlling interests.

In addition, our borrowings are reported at amortized cost, despite the recent bond tender to have evidenced the fair value of these borrowings to be significantly below its book value. This reduction mainly represents the economic benefit resulting from our decision to lock in long-term interest rates (e.g. 20-year, 30-year bonds), but is not reflected in the figures below.

	As reported (IFRS) 31 December 2022 *in $bn*	*As reported (IFRS)* 30 June 2023 *in $bn*	*Stand-Alone LTV** *(Pro Forma)* 30 June 2023 *in $bn*
Investments in Subsidiaries	49.1	48.6	31.1
Other Investments	0.4	0.8	0.8
JAB Group's Investment Portfolio	**49.5**	**49.4**	**31.9**
Cash & Cash Equivalents	3.8	3.7	3.7
Borrowings	(10.2)	(10.1)	(10.1)
JAB Group's Net Debt	**(6.4)**	**(6.3)**	**(6.3)**
Loan-to-Value Ratio	**12.8%**	**12.9%**	**19.9%**

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



Business Development

Accelerated build out of our pet insurance platform while preparing NVA for next phase of growth

Veterinary care

In March 2023, NVA announced the formation of two distinct veterinary businesses: Ethos Veterinary Health, which will consist of 145 Specialty & Emergency hospitals generating approx. $2 bn in Run Rate Revenue, and NVA, which will continue operating over 1,400 General Practice, Equine and Pet Resort locations generating approx. $4 bn in Run Rate Revenue.

This will enable both businesses to focus on their distinct strategic growth priorities and the unique needs of their respective stakeholders. As long-term strategic shareholders, our focus is now on value creation for each of the respective businesses over the next several years as we prepare for both eventual IPO's.

Pet Insurance

On May 16, 2023, our North American pet insurance business acquired a majority interest in Pumpkin Insurance Services Inc., a best-in-class preventive care and pet insurance provider. Pumpkin is partially owned by Zoetis, the world's largest animal health company, who will continue its collaborative commercial partnership with the business and provide support in the veterinary channel.

In addition, a partnership with Pets Best Insurance Services, a rapidly growing brand of pet insurance, was announced June 1, 2023 in which new business will be underwritten by our US carrier. This expanded partnership further validates our platform's full stack business model and the strength and quality services of its underwriting business.

Our European platform welcomed four acquisitons in the first six months of 2023 including previously announced Agila in Germany and Veterfina in the Netherlands.

The acquisitions of HD Assurances in France, and Captain Vet in Belgium and France were completed in April 2023. HD Assurance will seek to expand its distribution channels, accelerate product innovation and broaden its offering.

In addition, Animal Friends in the UK closed in August 2023, the second largest player in the UK pet insurance market.

With these transactions, our European platform largely completed the European consolidation and started its focus on above market profitable growth.

As a long-term investor, we are excited about building our investment platforms in these resilient and high-growth categories and by capturing the long-term industry tail from the humanization of pets

Investment Performance

Company-by-company results

Coffee & Beverages

Keurig Dr Pepper (KDP)

KDP reported strong results for the first half of 2023 with sales increasing by +8%, gross profit increasing by +11% and diluted EPS by +23%. KDP raised its full-year net sales guidance and re-affirmed its full year EPS guidance. KDP saw continued momentum in the U.S. Refreshment Beverages and International segments, as well as encouraging intraquarter developments in U.S. Coffee, where KDP expects a sequential recovery in revenue and a meaningful inflection in margins in the back half. Finally, KDP returned $1.0bn in dividends and share buyback to its shareholders in the first half of 2023.

JDE Peet's (JDEP)

JDE Peet's reported resilient financial performance in a category that has adjusted well post-pandemic and is operating in a sticky inflationary environment. In the first half of 2023, organic sales increased by +4% and organic gross profit increased by +1% which was driven by the premium product portfolio, e-commerce acceleration and strong performance in the U.S. and emerging markets. JDE Peet's accelerated its sustainability agenda with the announcement of a fully compostable capsule and the introduction of a paper bag for soluble coffee, the first of its kind in the market. In addition, JDE Peet's continued the transition to an omni-channel organisation in Europe and announced its intended acquisition of Marata Coffee & Tea in Brazil, tapping into the largest coffee market in the world in terms of number of cups.

Beauty & Luxury

Coty (COTY)

Coty continued to deliver strong sales growth ahead of guidance with sales up +17% LFL for Q4 FY23. Its continued success led Coty to explore a dual listing on the Paris Stock Exchange, providing a vehicle to reach untapped investors in the market. Coty also significantly strengthened its debt profile by refinancing its existing $2.0 bn revolving credit facility and extending its maturity until 2028, while using the proceeds of a newly priced $750 mn senior note to repay existing loans and credit facilities.

Indulgence

Krispy Kreme (DNUT)

Krispy Kreme has continued its growth of points of access globally by +13% to 12,872 and organic sales growth of +13% year-over-year. As part of the international expansion strategy, Krispy Kreme recently opened in Switzerland, marking its first opening in Continental Europe with France expected to open before year-end. Krispy Kreme also continued to strengthen its brand through ecommerce and, more recently, the QSR channel.

Half Year 2023 Highlights & Results (continued)

Panera Brands

Panera Brands reported revenue rose nearly +8% to $2.5bn in the first six months of 2023 compared to the same period last year. Panera Brands Adjusted EBITDA was up +27% during the same period. Bakery-café profit margin increased due to improved operating efficiency and leverage of industry leading digital capabilities, which today account for 51% of total sales. Panera Brands also increased its loyalty base to 55 million members following the launch of their innovative loyalty subscription model, the Unlimited Sip Club, with members now accounting for 25% of all Panera transactions.

NVA

NVA reported revenue of $2.9bn in the first six months of 2023, a +19% increase compared to the same period last year. The increase was driven by M&A, including the acquisitions of Sage and Ethos, combined with nearly +7% of same store sales growth. NVA recently announced the appointment of a Chief Veterinary Officer, underpinning NVA's shared commitment to deliver exceptional veterinary care to pets and the people who love them.

IPG and PPG

Our pet insurance businesses multi-brand, multi-channel strategy experienced continued upward momentum in the first six months of 2023 with IPG's and PPG's Gross Written Premium up +39% and +18% on a pro-forma basis compared to last year, excluding the effects from discontinued brands. Revenue growth was fueled by record new policy growth from Core Brands and Core Partnerships and our businesses continued investments in brands and channels. The solid balance sheets of our underwriting companies in the US (AM Best A- rated), UK and Continental Europe will allow our businesses to be well capitalized allowing above market growth.

About JAB

Our Investment Partnership

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

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

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.

$50bn+

Managed 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 $50 billion+ of managed capital as of June 30, 2023.

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 compounded returns.

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 co-invests alongside JAB Holding Company in the consumer goods and services sector.

$19bn

Invested Capital

$23bn+

Total Capital Raised

$14bn

Distributions Since 2019

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 significant institutional investment experience and deep sector knowledge. 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 the senior partners, partners, CFO and Head of Responsible and Sustainable Investing, each of whom is experienced in investing and overseeing businesses within 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 through our Investment Platforms. As such, we provide our team with opportunities and ambitions for continuous development and personal and professional growth.

Working together with 'skin in the game'

As a team, at JAB and our portfolio companies, we are invested in long-term value creation for our shareholders and other stakeholders. Invested means that our financial and non-financial interests are aligned, enabling us to deliver on our value-enhancing strategy. Invested means we are personally committed to being "full-on" as we strive to deliver sustainable results in a fast-paced and highly demanding environment.

Our Diverse Team of Professionals (continued)

Our leadership team

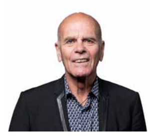
200+	150+	100+	8
Years of Consumer Industry Expertise & Insights	*Years of Investing Expertise*	*Years of Executive Committee and Board Experience*	*Nationalities*

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

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, Bertrand Badré and Antonio Weiss, who provide advice on governance and strategy matters

Olivier Goudet
Managing Partner, CEO



Peter Harf
Managing Partner, Chairman

Joachim Creus
Managing Partner, Vice Chairman

David Bell
Senior Partner

Frank Engelen
Senior Partner

Ricardo Rittes
Senior Partner

Trevor Ashley
Partner

Patricia Capel
Partner

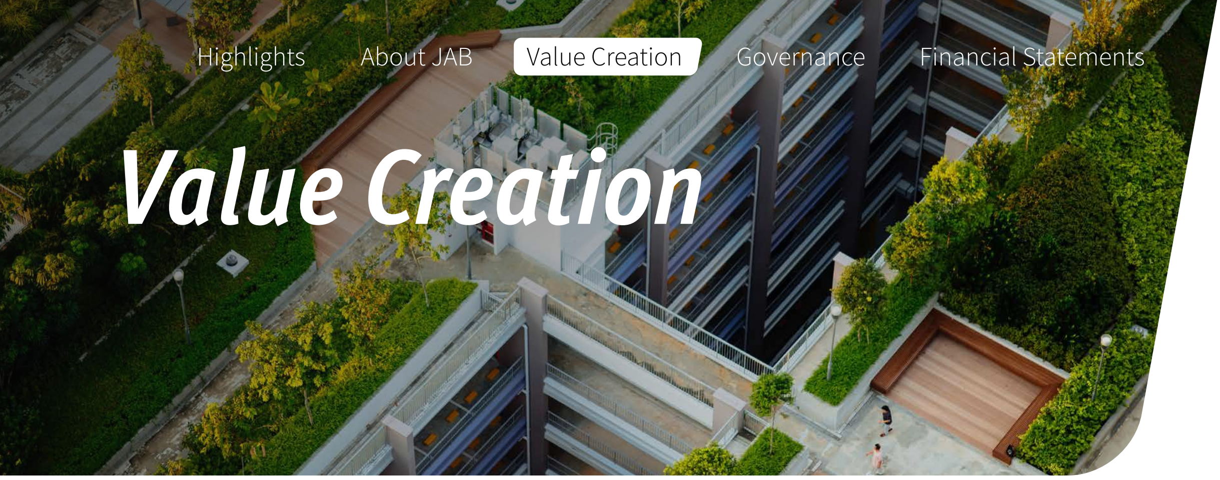
Rafael Cunha
Chief Financial Officer

Konrad Meyer
Partner

Lubomira Rochet
Partner

Jacek Szarzynski
Partner

Yoana Nenova
Head of Responsible and Sustainable Investing



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.

Identify Investment Opportunities

Agile investment approach with a focus on consumer goods and services

Enhance Value

Unique ownership & people model with repeatable value creation approach

Drive Long-term Sustainable Compounding Returns

Doing the right things for our stakeholders

Our unique set of strengths

- *A long-term and evergreen investor*
- *Proprietary business insights & deal flow*
- *An ecosystem of trusted debt & equity partners*
- *Unlocking synergies*
- *Resilient categories with attractive growth fundamentals*
- *Flexible exit strategies*
- *An invested team*

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, our structure 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.

Platform Investing Philosophy (continued)

Resilient categories with attractive growth fundamentals

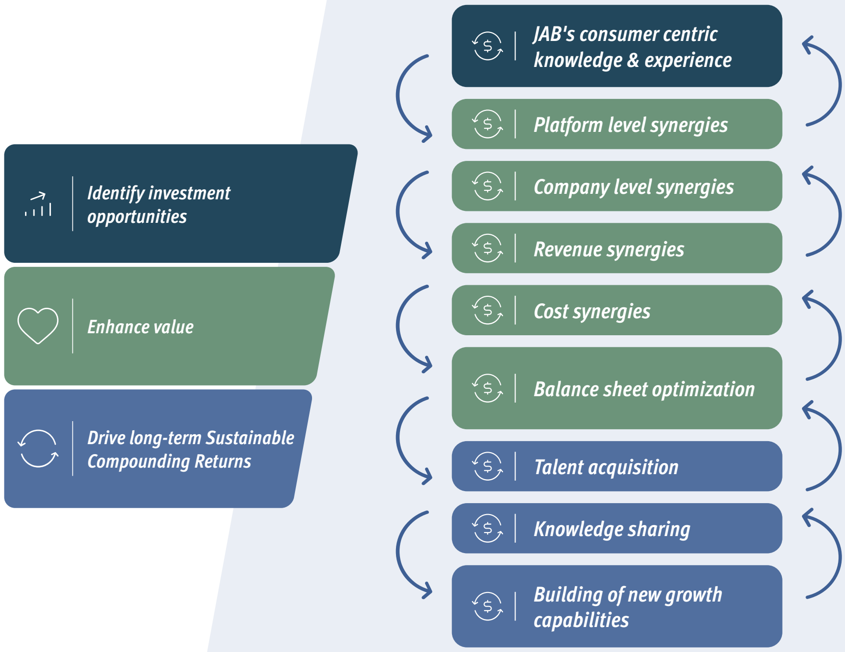
We invest in categories that have a proven track record of resiliency across the economic cycle, with strong growth momentum and attractive cash flow dynamics.

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 in 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.

Unlocking synergies

Through our Platform Investment approach, we are able to achieve greater levels of synergies beyond what could be realized through an individual investment. 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.



Proprietary business insights & deal flow

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

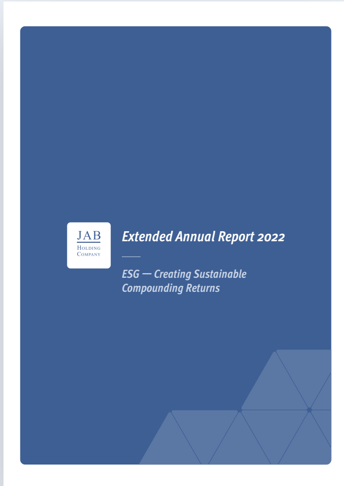
Flexible exit strategies

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 the health of the planet and people.

As part of our annual integrated reporting we have issued an extended report, which details and reflects on our ESG strategy and commitments as well as outcomes related to our value creation efforts pursued through our Investment Philosophy. This section includes Climate-Related Financial Disclosures (TCFD) reporting along with other ESG-focused data.



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Our Global Leading Investment Platforms

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 sectors.

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 portfolio of products and services. These brands are distributed through a variety of channels in different geographies, and, as a result, address the needs of a broad consumer base.

Our Global Leading Investment Platforms (continued)

A closer look at our Investment Platforms

Coffee & Beverages

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

- Premium coffee brands
- Mainstream coffee brands
- Coffee systems
- Soft drinks
- Water
- Tea & Juices
- Energy drinks

Beauty & Luxury

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

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

Indulgence

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

- Doughnuts
- Cookies

Fast Casual Restaurants

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

Covering all occasions:

- Breakfast
- Lunch
- Dinner

Our Global Leading Investment Platforms (continued)

Petcare

Petcare through on-premise, home-delivery, and digital veterinary services

- General care
- Specialty & emergency care
- Pet Resorts
- Equine
- Vet Partners Australia & New Zealand

Pet Insurance

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

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

Pet Labs

Pet Labs with laboratories across England and Ireland

- Companion animal diagnostics
- Leading capabilities and service

Our Global Leading Investment Platforms (continued)

As long-term and anchor shareholder, JAB exerts significant influence over its investments

	JAB Ownership*
JDE Peet's	59%
Keurig Dr Pepper	29%
Panera Brands	85%
Pret	74%
Espresso House	84%
Krispy Kreme Doughnuts	45%
NVA	89%
independence Pet Group	92%
Pinnacle Pet Group	59%
VPG Veterinary Pathology Group	99%
COTY since 1904	53%
BALLY	98%

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

Our Global Leading Investment Platforms (continued)

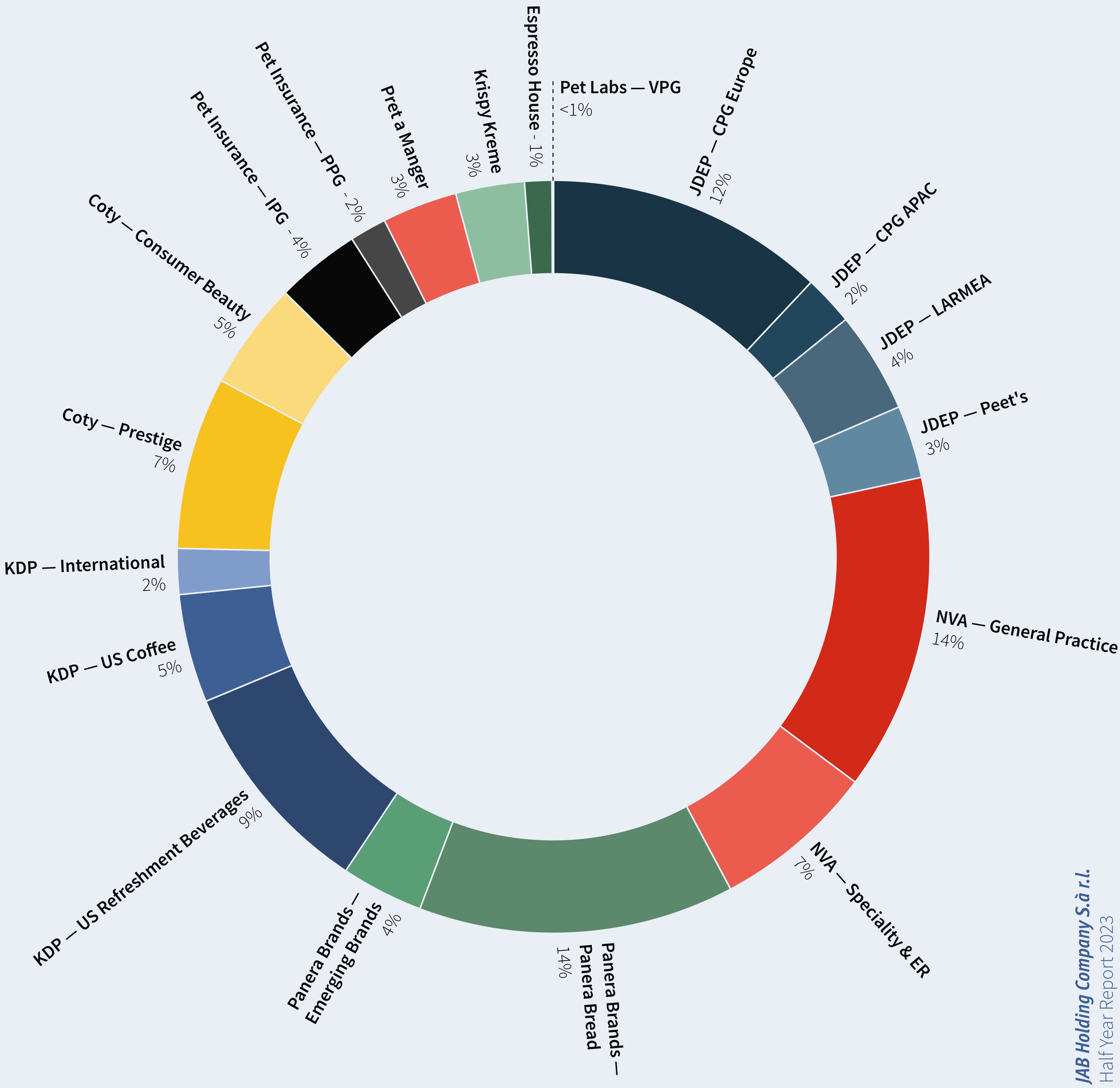
JAB's Investment Platforms leverage a strong portfolio of premium and iconic brands that are well-recognized and strongly positioned within their respective categories and markets.

Here is a selection of key brands from our portfolio.

A global investment portfolio with strong asset diversity

Our portfolio is becoming increasingly diverse

Our investment philosophy is focused on building a diversified portfolio within the consumer goods and services sectors, with low or negative correlation between the assets and with businesses that are diversified through their unique combination of brands, product and service categories, and distribution channels. Asset diversity was calculated by calculating JAB's ownership against the trailing twelve months revenue of the portfolio companies.



An overview of JAB's Investment portfolio as per 30 Jun. 2023

How We Create Value

Within our Platform Investment Philosophy, we have a clear understanding and appreciation of the next generation of consumers, combined with a strong focus on doing the right thing for our stakeholders. We summarize the main results here for readability purposes.

Input

Our Strategic Resources

- Financial
- People
- Social
- Environmental

Our Platform Investing Philosophy

and our unique set of strengths

- Identify investment opportunities
- Enhance value
- Drive long-term Sustainable Compounding Returns

- Long-Term & Evergreen
- Trusted Capital Partners
- Resilient & Attractive Categories
- An Invested Team
- Proprietary Business Insights
- Unlocking Synergies
- Flexible Exit Strategies

Investment Platforms

UN Sustainable Development Goals

- 5 GENDER EQUALITY
- 7 AFFORDABLE AND CLEAN ENERGY
- 10 REDUCED INEQUALITIES
- 13 CLIMATE ACTION
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Output

Our Results

- Financial Impact
- People Impact
- Social Impact
- Environmental Impact

Value we create for our stakeholders

Investors

Long-term sustainable value creation with compounding returns of 15%-20% year on year

People

Strong organizational culture with equality of opportunity, a diverse team and an inclusive working environment

Society

High-quality Investment Portfolio which contributes positively to consumers and society

Environmental

Positive contributions to climate goals defined in the 2015 Paris Climate Agreement

Governance

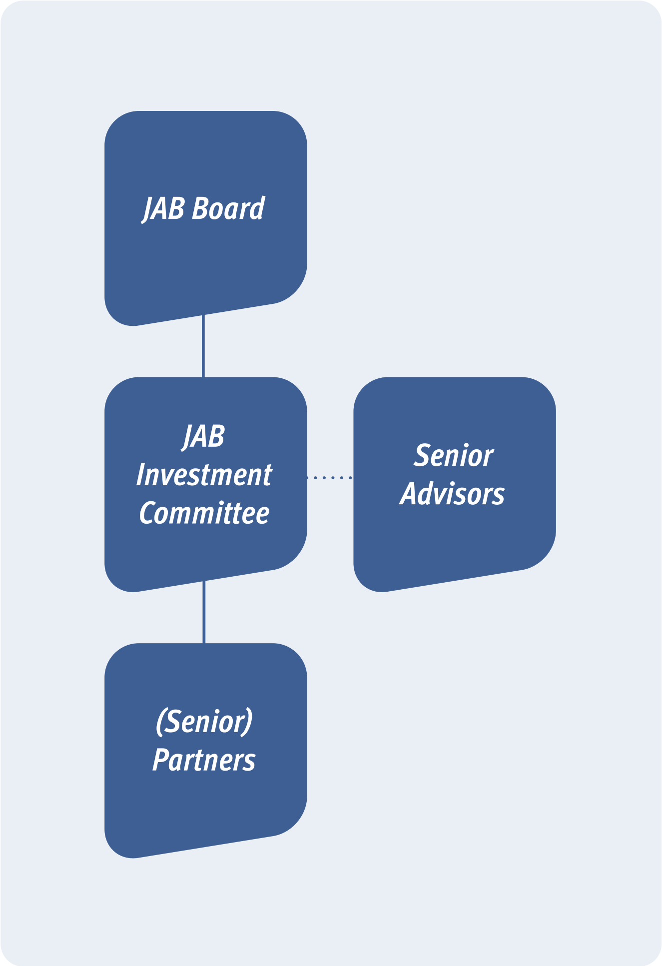
JAB Governance

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.

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 and (Senior) 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, our Chief Financial Officer and Head of Responsible and Sustainable Investing.



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 who 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 responsible and sustainable investing 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 JAB's governance structure. Our risk management approach is established to identify and analyse risks faced by JAB, to monitor risks and to implement remediation initiatives to ensure adherence to set limits. 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 considers a broad range of stakeholders, including fixed income investors, equity investors, and the communities in which we operate.

Risk management is an integral part of our business and is among others governed by a comprehensive set of policies and programs.

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 monitor closely topics related to:

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

Our risk management and other material company policies are reviewed and updated periodically, with ESG more strongly integrated where applicable.

The following policies are in place:

- **Governance Framework**
- **Code of Conduct**
- **Anti-Money Laundering policy**
- **Anti-Bribery and Anti-Corruption policy**
- **Speaking Up - Whistleblower policy**
- **Human Capital policy**
- **Human Rights policy**
- **Supplier Code of Conduct**
- **Environmental Policy and Environmental Management System**

Towards our investments, we developed a Responsible Investment & Stewardship policy and a Human Rights policy to provide further guidance on ESG in our investment practices.

- **Responsible Investment & Stewardship policy**

The Responsible Investment & Stewardship policy describes how we formally incorporate ESG matters in our entire investment process.

Our Sustainability Linked Bond Framework covers our ESG commitments in relation to Sustainability-Linked Financing which Sustainalytics has reviewed.

- **Sustainability Linked Bond Framework**
- **Review by Sustainalytics**

Material 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 resilient compounded investment returns.

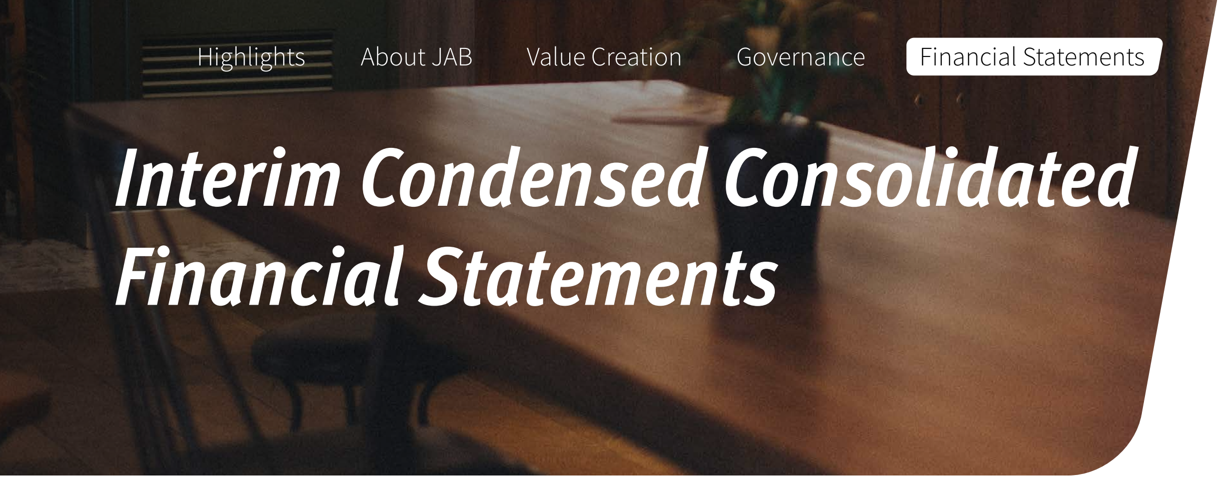
The loss of key talent could have a negative impact on our operations. This risk is mitigated by investment and long-term equity incentive plans of our leadership teams, and by promoting a culture of ownership and opportunity. In this way, we continue to attract talented people with entrepreneurial mindsets 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 JAB'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 30 June 2023. 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 30 June 2023. 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 responsibilities of our team with the aim of reducing 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 Extended Annual Report.

Annual Report 2022 - ESG Supplement
Page 16: Climate Risk Management



Interim Condensed Consolidated Financial Statements

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Interim Condensed Consolidated Statement of Financial Position

As of 30 June

	Notes	30 June 2023 in $m	31 December 2022 in $m
Assets			
Investments in subsidiaries	3.1	48,562.1	49,119.3
Other investments	3.1	788.7	371.3
Other loans	3.2	45.3	52.6
Other assets	3.3	88.5	53.2
Cash and cash equivalents	3.4	3,723.7	3,837.4
Total assets		**53,208.3**	**53,433.8**
Equity and liabilities			
Total equity attributable to owners of the parent	3.5	25,488.0	24,858.5
Non-controlling interests		17,498.2	17,065.2
Total equity		**42,986.2**	**41,923.7**
Borrowings	3.7	10,067.6	10,195.5
Related party payable		-	1,044.2
Other liabilities	3.8	154.5	270.4
Total liabilities		**10,222.1**	**11,510.1**
Total equity and liabilities		**53,208.3**	**53,433.8**

The notes on pages 32 to 58 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 period ended 30 June 2023* in $m	*For the six months period ended 30 June 2022* in $m
Net gain / (loss) on investments in subsidiaries and other investments	3.1	872.5	(5,703.8)
Dividend income	3.1	546.1	434.0
Finance income	3.9	69.2	693.1
Finance expenses	3.9	(258.0)	(118.3)
General and administrative expenses	3.10	(49.8)	(48.0)
Other expense	3.11	(179.4)	(174.1)
Profit / (loss) before income tax		**1,000.6**	**(4,917.1)**
Income tax expense	3.12	(0.0)	(0.5)
Profit / (loss) for the period		**1,000.6**	**(4,917.6)**
Attributable to owners of the parent		527.2	(3,082.4)
Non-controlling interests		473.4	(1,835.2)
Total comprehensive income / (loss)		**1,000.6**	**(4,917.6)**
Attributable to owners of the parent		527.2	(3,082.4)
Non-controlling interests		473.4	(1,835.2)

The notes on pages 32 to 58 are an integral part of these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Changes in Equity

For the six months period ended 30 June 2023

	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 – Group share* in $m	*Non-controlling interests* in $m	*Total equity* in $m
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	-	159.8
Other comprehensive income for the period		-	-	-	(0.0)	-	(0.0)	-	(0.0)
Total comprehensive (loss)		-	-	-	-	(3,082.4)	(3,082.4)	-	(3,082.4)
Total comprehensive (loss)		**-**	**-**	**-**	**(0.0)**	**(3,082.4)**	**(3,082.4)**	**-**	**(3,082.4)**
Transactions with non-controlling interests		-	-	-	-	-	-	(1,059.6)	(1,059.6)
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**
Balance as of 1 January 2023		**10.6**	**10,848.9**	**632.9**	**(511.7)**	**13,877.9**	**24,858.5**	**17,065.2**	**41,923.7**
Issue of share capital	3.5	0.2	426.2	-	-	-	426.4	-	426.4
Decrease in share capital and repayment of share premium	3.5	(0.3)	(517.1)	-	-	-	(517.4)	-	(517.4)
Share-based payment transactions	3.6	0.2	106.6	69.5	-	-	176.3	-	176.3
Other comprehensive income for the period		-	-	-	0.1	-	0.1	-	0.1
Profit for the period		-	-	-	-	527.2	527.2	-	527.2
Total comprehensive income		**-**	**-**	**-**	**0.1**	**527.2**	**527.2**	**-**	**527.2**
Transactions with non-controlling interests		0.1	3.7	13.3	-	-	17.1	433.0	450.1
Balance as of 30 June 2023		**10.7**	**10,868.3**	**715.7**	**(511.7)**	**14,405.1**	**25,488.0**	**17,498.2**	**42,986.2**

The notes on pages 32 to 58 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 period ended 30 June 2023 in $m	For the six months period ended 30 June 2022 in $m
Cash flows from operating activities			
Profit / (loss) before income tax		**1,000.6**	**(4,917.1)**
Adjustments for:			
Net (gain) / loss from change in fair value of investments	3.1	(872.5)	5,703.8
Finance expenses and (income)	3.9	188.7	(574.8)
Share-based payment expenses	3.6	179.4	166.4
Changes in other assets and liabilities from operating activities:			
Decrease / (net increase) in loans	3.2	9.5	(4.1)
Decrease / (net increase) in other assets	3.3	(36.1)	(9.8)
Net increase / (decrease) in other liabilities	3.8	(9.4)	23.1
(Payments) on acquisition of investments	3.1	(1,035.0)	(1,404.4)
Interest and foreign exchange results		28.7	9.9
Income taxes paid and withholding taxes	3.12	0.0	(0.5)
Net cash (used in) operating activities		**(546.1)**	**(1,007.5)**
Cash flows from financing activities			
Contribution owners of the parent		412.3	410.9
Repayment of share premium to owners of the parent and cancellation of shares	3.5	(503.3)	(705.3)
Transactions with non-controlling interests		879.2	825.6
Proceeds from borrowings	3.7	749.2	1,017.1
Repayment of borrowings	3.7	(958.1)	
Interest paid	3.9	(131.8)	(150.7)
Net foreign exchange results		(32.5)	-
Other		(0.8)	(0.8)
Net cash from financing activities		**414.2**	**1,396.8**
Cash and cash equivalents at beginning of period	3.4	**3,837.4**	**3,759.5**
Net cash (used in) operating activities		(546.1)	(1,007.5)
Net cash from financing activities		414.2	1,396.8
Effect of exchange rate fluctuations on cash and cash equivalents		18.2	(95.8)
Cash and cash equivalents at end of period		**3,723.7**	**4,053.0**

The notes on pages 32 to 58 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 2023, 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 2023 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 holds several strategic investments in controlled and non-controlled entities. As of 30 June 2023 and 31 December 2022, the Group invested in the following significant subsidiaries and other investments:

- JAB Coffee & Beverages Holdings B.V., Netherlands
- Pret Panera III G.P., USA
- JAB Indulgence B.V., Netherlands
- Petcare Holding LP, USA
- JAB Pet Holdings Ltd., UK
- JAB Beauty B.V., Netherlands
- JAB Luxury S.à r.l., Luxembourg
- JAB Ventures B.V., Netherlands
- JAB Pet Labs Ltd., United Kingdom

2. Accounting policies

2.1. Statement of compliance

The interim condensed consolidated financial statements for the six months period ended 30 June 2023 have been prepared on a going concern basis applying the same accounting policies as are applied in the Group's annual financial statements as at 31 December 2022, except for the adoption of new and amended standards as set out below.

JAB Group's consolidated 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 2023 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 consolidated financial statements for the year ended 31 December 2022, 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. Amounts are commercially rounded. Therefore, rounding differences may appear.

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 2022.

2.3. Consolidation

There were no changes in the composition of the Group in the six months period ended 30 June 2023.

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 2023:

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- Disclosure of Accounting Policies – Amendments to IAS 1
- Definition of Accounting Estimates – Amendments to IAS 8

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 2023 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 2023:

Company	*Registered*	*Economic ownership in %*	
30 June 2023		Parent	NCI [1]
JAB Holding Company S.à r.l.	Luxembourg	parent company	-
JAB Investments S.à r.l.	Luxembourg	100.0%	-
JAB Holdings B.V.	Netherlands	100.0%	-
JAB Forest B.V.	Netherlands	100.0%	-
JAB Coffee & Beverages B.V. [2]	Netherlands	86.7%	13.3%
Pret Panera Holdings B.V. [3]	Netherlands	57.4%	42.6%
Petcare G.P. [4]	USA	38.3%	61.7%
JAB Pet Services B.V. [5]	Netherlands	34.9%	65.1%
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 2022:

Company	*Registered*	*Economic ownership in %* [6]	
31 December 2022		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%	-
JAB Coffee & Beverages B.V. [2]	Netherlands	87.3%	12.7%
Pret Panera Holdings B.V. [3]	Netherlands	57.4%	42.6%
Petcare G.P. [4]	USA	38.3%	61.7%
JAB Pet Services B.V. [5]	Netherlands	39.3%	60.7%
JAB Holding Sao Paulo Ltda.	Brazil	100.0%	-
JAB Partners (UK) Ltd.	UK	100.0%	-
JAB Holding Company, LLC	USA	100.0%	-

1 *Non-controlling interests (NCI)*

2 *The Group presents ownership in JAB Coffee & Beverages B.V. based on dividend entitlement.*

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

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

5 *The Group holds 100% of the voting rights in JAB Pet Services B.V.*

6 *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.*

As of 30 June 2023, the following non-consolidated subsidiaries qualify as investments in subsidiaries and are therefore measured at fair value:

Company	Registered	Shareholding in %
JAB Coffee & Beverages Holdings B.V.	Netherlands	100.0%
Pret Panera III G.P.	USA	86.3%
JAB Indulgence B.V.	Netherlands	100.0%
Petcare Holding LP	USA	98.2%
JAB Pet Holdings Ltd.	United Kingdom	99.5%
JAB Beauty B.V.	Netherlands	100.0%
JAB Luxury S.à r.l.	Luxembourg	100.0%
JAB Pet Labs Ltd.	United Kingdom	100.0%
JAB Ventures B.V.	Netherlands	100.0%
JAB Fund Holdings S.à r.l.	Luxembourg	100.0%

As of 31 December 2022, the following non-consolidated subsidiaries qualify as investments in subsidiaries and are therefore measured at fair value:

Company	Registered	Shareholding in %
JAB Coffee & Beverages Holdings B.V.	Netherlands	100.0%
Pret Panera III G.P.	USA	86.3%
JAB Indulgence B.V.	Netherlands	100.0%
Petcare Holding LP	USA	98.2%
JAB Pet Holdings Ltd.	United Kingdom	99.4%
JAB Beauty B.V.	Netherlands	100.0%
JAB Luxury S.à r.l.	Luxembourg	100.0%
JAB Pet Labs Ltd.	United Kingdom	100.0%
JAB Ventures B.V.	Netherlands	100.0%

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, grouped at the level of our investment platforms, those being Coffee & Beverages, Fast Casual Restaurants, Indulgence, Petcare, Pet Insurance, Beauty & Luxury and Others:

Entity	*Principal place of business*	*Proportion of ownership interest*		*Fair Value of ownership interest*	
		30 June 2023 in %	*31 Dec. 2022* in %	*30 June 2023* in $m	*31 Dec. 2022* in $m
JAB Coffee & Beverages Holdings B.V.	Netherlands	100.0	100.0	15,917.8	19,856.1
Coffee & Beverages				**15,917.8**	**19,856.1**
Pret Panera III G.P.	USA	86.3	86.3	8,928.2	9,081.4
Fast Casual Restaurants				**8,928.2**	**9,081.4**
JAB Indulgence B.V.	Netherlands	100.0	100.0	953.4	603.6
Indulgence				**953.4**	**603.6**
Petcare Holding LP	USA	98.2	98.2	14,517.8	13,674.2
Petcare				**14,517.8**	**13,674.2**
JAB Pet Holdings Ltd [1]	UK	99.5	99.4	2,999.5	2,134.5
Pet Insurance				**2,999.5**	**2,134.5**
JAB Beauty B.V.	Netherlands	100.0	100.0	5,318.5	3,684.6
JAB Luxury S.à r.l.	Luxembourg	100.0	100.0	107.0	25.6
Beauty & Luxury				**5,425.5**	**3,710.2**
Other				(180.1)	59.3
Total				**48,562.1**	**49,119.3**

1 *As of 30 June 2023, the fair value of ownership interest in JAB Pet Holdings Ltd. also refers to ownership in Pinnacle Pet Holdings Ltd. ($0.5m, 31. December 2022: $0.5m) and Independence Pet Holdings Inc. ($0.1m, 31 December 2022: $0.1m).*

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 2 and level 3 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	Total in $m
Balance as of 31 December 2022	**19,856.1**	**9,081.4**	**603.6**	**13,674.2**	**2,134.5**	**3,710.2**	**59.3**	**49,119.3**
Additions / contributions	-	-	-	0.3	865.0	103.3	-	968.6
Disposals / distributions	(1,991.9)	-	-	-	-	-	(20.3)	(2,012.2)
Change in fair value	(1,946.4)	(153.2)	349.8	843.3	-	1,612.0	41.2	746.7
Intra-group investment elimination	-	-	-	-	-	-	(260.3)	(260.3)
Balance as of 30 June 2023	**15,917.8**	**8,928.2**	**953.4**	**14,517.8**	**2,999.5**	**5,425.5**	**(180.1)**	**48,562.1**

Notes to the Interim Condensed Consolidated Financial Statements (continued)

Coffee & Beverages

As of 30 June 2023, the Group is indirectly invested in Keurig Dr Pepper Group (KDP) and JDE Peet's (JDEP) through its investment in JAB Coffee & Beverages 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 2023, the Group decreased its investment in Coffee & Beverages by way of distributions in kind of $1,991.9m.

Fast Casual Restaurants

As of 30 June 2023, 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 2023, the Group is indirectly invested in Krispy Kreme through its investment in JAB Indulgence B.V.

Petcare

As of 30 June 2023, the Group is indirectly invested in National Veterinary Associates Group (NVA) through its investment in Petcare Holdings LP, via its consolidated subsidiary Petcare G.P which is held together with a non-controlling interest from JCP.

Pet Insurance

As of 30 June 2023, the Group is indirectly invested in Independence Pet Group and Pinnacle Pet Group through its investment in JAB Pet Holdings Ltd, via its consolidated subsidiary JAB Pet Services B.V. which is held together with a non-controlling interest from JCP.

In the six months period ended 30 June 2023, the Group increased its investment in Pet Insurance by $865.0m by way of contributions in cash.

Beauty & Luxury

As of 30 June 2023, the Group is indirectly invested in Coty Inc. through its investment in JAB Beauty B.V. and indirectly invested in Bally through its investment in JAB Luxury S.à r.l. As of 30 June 2023, JAB Beauty B.V. holds 53.2% (453,853,684 shares) in Coty Inc.

In the six months period ended 30 June 2023, the Group increased its investment in Beauty & Luxury by $103.3m by way of contributions in cash.

Other

As of 30 June 2023, the Group is directly and indirectly invested in several other non-consolidated investments in subsidiaries which are grouped into Other.

As of 30 June 2023, the intra-group investment elimination was $567.6m unallocated to a single platform.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

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 2023 in $m	*For the six months ended 30 June 2022* in $m	*For the six months ended 30 June 2023* in $m	*For the six months ended 30 June 2022* in $m	*For the six months ended 30 June 2023* in $m	*For the six months ended 30 June 2022* in $m
Coffee & Beverages	(1,946.4)	(1,158.0)	285.2	277.3	(1,661.2)	(880.7)
Fast Casual Restaurants	(153.2)	(248.2)	258.8	-	105.6	(248.2)
Indulgence	349.8	(395.6)	-	-	349.8	(395.6)
Petcare	843.3	(2,541.7)	-	-	843.3	(2,541.7)
Pet Insurance	-	-	-	-	-	-
Beauty & Luxury	1,612.0	(1,340.2)	-	105.2	1,612.0	(1,235.0)
Others	41.2	(0.2)	-	50.6	41.2	50.4
Total	**746.7**	**(5,683.9)**	**544.0**	**433.1**	**1,290.7**	**(5,250.8)**

3.1.2. Other Investments

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

	30 June 2023		*31 December 2022*	
	Short-term in $m	*Long-term* in $m	*Short-term* in $m	*Long-term* in $m
Corporate securities	-	719.1	-	274.0
Others	69.6	-	-	97.3
Total	**69.6**	**719.1**	**-**	**371.3**

Corporate Debt Securities

As of 30 June 2023, the fair value of the Group's other corporate securities was $719.1m (31 December 2022: $274.0m) relating to preferred interests, additional common interest and warrants in Panera Brands entities. This amount includes an additional investment made by the Group in June 2023 for an amount of $425.3m.

Preferred interests and unvested additional common interests are classified as investment in a combined debt instruments. The additional common interests and the warrants are classified as investments in equity instruments. Both, the combined debt instrument and the equity instruments are measured at FVTPL.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

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 2022	**274.0**	**32.2**	**306.2**
Additions	423.7	21.4	445.1
Disposals	-	(104.7)	(104.7)
Change in fair value	21.4	111.2	132.6
Balance as of 30 June 2023	**719.1**	**60.1**	**779.2**
thereof other investments	719.1	69.6	788.7
thereof other liabilities from derivatives	-	(9.5)	(9.5)

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 2023 in $m	*For the six months ended 30 June 2022* in $m	*For the six months ended 30 June 2023* in $m	*For the six months ended 30 June 2022* in $m	*For the six months ended 30 June 2023* in $m	*For the six months ended 30 June 2022* in $m
Corporate debt securities						
Panera Brands entities	21.4	30.2	-	-	21.4	30.2
Others						
Others	111.2	(50.1)	2.1	0.9	113.3	(49.2)
Total	**132.6**	**(19.9)**	**2.1**	**0.9**	**134.7**	**(19.0)**

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 2023, the Group holds no assets in this category (31 December 2022: 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 2023 and 31 December 2022, the Group's assets in this category include JAB Beauty B.V. which holds an underlying investment in the public listed company Coty Inc. with little or no other assets or liabilities for which no observable market data is available 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 2023, the Group's assets in this category include investments in JAB Coffee & Beverages 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., JAB Ventures B.V. and JAB Fund Holdings S.à r.l. (31 December 2022: JAB Coffee & Beverages 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 can include NTM results, peer multiples, discounted cash flows, discounted dividends ("intrinsic values") and other observable inputs include JDE Peet's and KDP share price within JAB Coffee & Beverages Holdings B.V. as well as Krispy Kreme share price within JAB Indulgence B.V.

Valuation process

The Group uses a combination of valuation techniques for its level 3 fair value investments. The Group receives support 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 comprising of independent and executive board members of those underlying investments. Once the valuation committee has unanimously approved the valuations, 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 - comparable market multiples approach

This valuation method is the primary valuation method 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 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 capitalisation, 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 2023 and 31 December 2022. 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.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

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: EV/Sales, EV/EBITDA and price earnings (“P/E”),
- 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;
- The financial inputs from the portfolio companies; and
- Long-term assumptions on growth, margin and cash-flow.

Valuation method – private companies - precedent transactions

This valuation method is applied on a minority weighted basis for underlying investments in which the publicly traded peer group is less of a fit compared to the underlying business and fundamentals of the underlying investment. Precedent transaction multiples are selected and applied to the figures of the underlying investment. As part of the analysis, the Group calibrates the valuation outcome to the market approach.

In addition, underlying investments that were acquired recently, generally within the last year, of which a recent market transaction is available, can be 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 – intrinsic value analysis

This valuation method is applied on a minority weighted basis for underlying investments in which the publicly traded peer group is less of a fit compared to the underlying business and fundamentals of the underlying investment.

Intrinsic value assessments are typically supported by recent market studies prepared by strategic consulting firms combined with management's long-term value creation plan on growth, margin and cash flow.

The Group calibrates the valuation outcome by comparing implied multiples to those from the market approach and precedent transactions on a case by case basis.

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 2023 Level 3	31 Dec. 2022 Level 3	Valuation technique	Input	30 June 2023	31 Dec. 2022
Investments in subsidiaries	43,243.6	45,434.7	Publicly listed	Quotes share price	N/A	N/A
			Comparable companies	EV / Sales multiples	1.2 – 3.8	1.1 – 4.3
			Comparable companies	EV / EBITDA multiples	8.9 – 20.3	9.9 – 18.2
			Comparable companies	P.E. multiples	16.3 – 30.7	16.8 – 29.4
			Precedent transactions	EV / EBITDA	23.5	23.5
			Intrinsic value	Implied terminal EV / EBITDA multiple	13.1	17.7

Underlying investments valued based on a market approach using comparable companies multiples technique are valued using NTM multiples (Petcare Holding LP, Pret Panera III G.P. and JAB Luxury S.à r.l, 31 December 2022: Petcare Holding LP, Pret Panera III G.P. and JAB Luxury S.à r.l).

A weighting is applied to the multiples and valuation methods 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 2023				
Company		**Multiples**		**Precedent transactions**	**Intrinsic value**
	EV/Sales	EV/EBITDA	P/E	EV/EBITDA	
Petcare	12%	24%	24%	20%	20%
Pret Panera	20%	40%	40%	-	-
JAB Luxury	60%	20%	20%	-	-

	31 December 2022				
Company		**Multiples**		**Precedent transactions**	**Intrinsic value**
	EV/Sales	EV/EBITDA	P/E	EV/EBITDA	
Petcare	12%	24%	24%	20%	20%
Pret Panera	20%	40%	40%	-	-
JAB Luxury	60%	20%	20%	-	-

For the Group's investment in Pet Insurance, as of 30 June 2023 and 31 December 2022, management assesses capital deployed to be the best estimate of fair value.

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 and inputs (including discount rates and terminal growth rates) for determination of intrinsic value. The estimated fair value would increase (decrease) if the adjusted market multiples, intrinsic value or precedent transaction prices were higher (lower). A sensitivity of 10% was applied to the market multiples and transaction prices. A sensitivity of +/- 0.5% for the discount rate and +/- 0.25% for the terminal growth rate was applied to the inputs used for determining intrinsic value. The impacts of those sensitivities to the fair value estimate would be as follows:

	30 June 2023		31 December 2022	
Company	Increase in $m	Decrease in $m	Increase in $m	Decrease in $m
Petcare	1,744.6	(1,744.6)	1,529.5	(1,529.5)
Pret Panera	1,160.4	(1,160.4)	1,143.2	(1,143.2)
Pet Insurance	299.9	(299.9)	212.5	(212.5)
JAB Luxury	29.1	(29.1)	26.8	(26.8)
	3,234.0	**(3,234.0)**	**2,912.0**	**(2,912.0)**

For the exposure to other price risk from indirect investments in publicly traded companies, please refer to note 4.4.

3.2. Other loans

	30 June 2023 in $m	*31 December 2022* in $m
JAB Management	41.6	49.6
Others	3.7	3.0
Total	**45.3**	**52.6**
Current	45.3	52.6

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 2023 in $m	*31 December 2022* in $m
Receivables from shareholders	53.7	15.0
Prepayments	3.3	3.8
Accrued interest	3.0	1.5
Foreign exchange contracts	7.8	7.4
Other	20.7	25.5
Total	**88.5**	**53.2**
Current	32.0	34.7
Non-current	56.5	18.5

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

As of 30 June 2023, cash and cash equivalents ($3,723.7m; 31 December 2022: $3,837.4m) include cash on hand ($810.6m; 31 December 2022: $435.4m) and cash equivalents with a maturity of less than 3 months or with short-term liquidity ($2,913.1m; 31 December 2022: $3,402.0m).

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.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

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 2023		31 December 2022	
	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	841,963	0.8	838,638	0.8
Special Class S shares	1,310,469	1.1	1,216,057	1.0
Class PI shares	135,119	0.1	135,119	0.1
Issued share capital	**10,921,496**	**10.7**	**10,823,759**	**10.6**

10,531,496 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 $	In $	In $	In $	In $
Balance as of 31 December 2022	**8,633,945**	**838,638**	**1,021,057**	**135,119**	**10,628,759**
Issue of share capital	-	3,325	163,811	-	167,136
Decrease in share capital	-	(1,914)	(317,902)	-	(319,816)
Share-based payments	-	1,914	196,283	-	198,197
Transactions with non-controlling interests	-	-	52,220	-	52,220
Balance as of 30 June 2023	**8,633,945**	**841,963**	**1,115,469**	**135,119**	**10,726,496**

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 2023, no dividend was paid to the equity shareholders.

Non-controlling interests

Non-controlling interests 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**
Balance as of 31 December 2022	**17,065.2**
Transactions with non-controlling interests	(40.4)
Profit for the period	473.4
Balance as of 30 June 2023	**17,498.2**

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 2023, 7,451 share grants (six months ended 30 June 2022: 3,591) 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.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

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 2023	*Weighted average grant date fair value* 30 June 2023 in $	*Number of share awards* 30 June 2022	*Weighted average grant date fair value* 30 June 2022 in $
Balance of unvested share awards at beginning of period	**23,864**		**23,544**	
Granted during the period	7,451	$2,113	3,591	$2,648
Forfeited during the period	-		-	
Lapsed during the period	-		-	
Vested during the period	4,643		3,217	
Balance of unvested share awards at end of period	**26,672**		**23,918**	

The number of share awards granted during the period includes 5,222 of share awards from an exchange of share awards in Group entity JAB Investments S.à r.l. (granted in 2021) for share awards in the Company at the same economic terms.

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 $10.8m (six months ended 30 June 2022: $12.3m).

As of 30 June 2023, the unrecognised expense related to share grant agreements amounts to $24.2m (31 December 2022: $29.0m). That expense is expected to be realised over a weighted average period of 3 years (31 December 2022: 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 intrinsic 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 2023 was $907 (31 December 2022: $1,074).

Notes to the Interim Condensed Consolidated Financial Statements (continued)

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 2023	*Grant date measurement* 2022
Dividend yield	0.7%	0.7%
Expected volatility	35.0%	35.0%
Risk-free interest rate	2.9%	2.5%
Expected life of options	5.5 years	7.5 years
Exercise price (USD)	$2,470	$2,593
Average share price (USD)	$2,470	$2,593

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. Based on past experience of exercise dates the expected life of options was reduced from 7.5 years to 5.5 years for grants in 2023.

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 2023:

	Number of options 30 June 2023	*Weighted average exercise price* 30 June 2023 in $	*Number of options* 30 June 2022	*Weighted average exercise price* 30 June 2022 in $
Balance at beginning of period (outstanding)	**1,269,025**	**2,402**	**1,486,905**	**2,036**
Granted during the period	202,898	2,516	348,773	2,759
Forfeited during the period	-	-	-	-
Lapsed during the period	-	-	363,377	1,804
Exercised during the period	198,197	2,119	205,168	1,633
Expired during the period	-	-	-	-
Balance at end of period (outstanding)	**1,273,726**	**2,464**	**1,267,133**	**2,367**
Vested and exercisable at end of period	**0**	**-**	**0**	**-**

The number of options granted during the period includes 31,332 of options from an exchange of options of Group entity JAB Investments S.à r.l. (granted in 2021) for options of the Company at the same economic terms.

As of 30 June 2023 and 31 December 2022, no options are vested.

The weighted-average share price at the date of exercise for share options exercised in the six months period ended 30 June 2023 was $2,119 (in the six months ended 30 June 2022 $1,633).

The range of exercise prices for options outstanding at the end of the period was $1,758 to $2,759 (31 December 2022: $1,616 to $2,759) and these outstanding options have a weighted-average remaining contractual life of 6 years (31 December 2022: 6 years).

The expense recognised arising from share option schemes during the period was $138.4m. (six months ended 30 June 2022: $129.2m).

Notes to the Interim Condensed Consolidated Financial Statements (continued)

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 2023, no loan funded shares purchases under IFRS 9 (six months ended 30 June 2022, no loan funded shares purchases under IFRS 9) were realised. As of 30 June 2023, the outstanding loans (including interest) for the funding of those share purchases amount to $0.1m (31 December 2022: $0.1m).

In the six months period ended 30 June 2023, the purchase of 1,651 shares (30 June 2022: 27,645) funded by limited-recourse loans in the amount of $4.2m was accounted for as an equity-settled option plan (30 June 2022: $58.1m). 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 $1.0m (30 June 2022: $0.7m).

Other share-based payments

In the six months period ended 30 June 2023, the expense recognised for equity-settled share-based payment agreements with other Group entities was $0m (six months ended 30 June 2022: $3.9m) and the expense for cash-settled share-based payments with other Group entities was $3.1m (six months period ended 30 June 2022: $2.3m).

During the period, equity-settled share-based payment agreements for share awards and options of Group entity JAB Investments S.à r.l. (granted in 2021) were exchanged for equity-settled share-based payment agreements for share awards of the Company at the same economic terms. The expense before the exchange was credited to non-controlling interest within equity. The transaction was recognised through a transfer of that amount within equity to the share-based payments reserve.

In the six months period ended 30 June 2023, no loan funded share purchases under IFRS 9 with other Group entities were realised (30 June 2022: nil). As of 30 June 2023, the outstanding loans (including interest) for the funding of those share purchases amount to $16.5m (31 December 2022: $49.5m).

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 $26.1m (30 June 2022: $17.5m).

3.7 Borrowings

	Notes In $m	Bank Loans In $m	Total In $m
Balance as of 31 December 2022	**9,761.6**	**433.9**	**10,195.5**
Proceeds from issuance of bonds	533.3	-	533.3
Additions	-	211.9	211.9
Repayments	(897.8)	(104.4)	(1,002.2)
Amortisation of disagio and fees	8.6	2.2	10.8
Translation differences	150.8	(32.5)	118.3
Balance as of 30 June 2023	**9,556.5**	**511.1**	**10,067.6**
Current	721.4	-	721.4
Non-current	8,835.1	511.1	9,346.2

Notes to the Interim Condensed Consolidated Financial Statements (continued)

Overview of borrowings

Note	Issued	Due	Original Principal in m	Remaining Principal in m	Coupon	Carrying Value 30 June 2023 in $m	Carrying Value 31 Dec. 2022 in $m	Fair Value 30 June 2023[1] in $m
Eurobond 2025	Apr. 2015	Apr. 2025	€ 600.0	€ 600.0	1.625%	649.4	636.8	620.0
Eurobond 2023	May 2016	May 2023	€ 750.0	€ 642.0	1.750%	-	684.7	-
Eurobond 2024	May 2017	May 2024	€ 750.0	€ 664.5	1.250%	721.4	707.0	703.6
Eurobond 2028	May 2017	May 2028	€ 750.0	€ 750.0	2.000%	808.4	792.8	739.3
Eurobond 2026	June 2018	June 2026	€ 750.0	€ 750.0	1.750%	810.4	794.7	756.8
Eurobond 2029	June 2018	June 2029	€ 750.0	€ 750.0	2.500%	811.4	796.1	737.9
Eurobond 2027	Dec. 2019	Dec. 2027	€ 750.0	€ 750.0	1.000%	807.2	791.4	709.4
Eurobond 2039	Dec. 2019	Dec. 2039	€ 750.0	€ 750.0	2.250%	800.1	784.6	574.8
Eurobond 2039	Jan. 2020	Dec. 2039	€ 175.0	€ 175.0	2.000%	195.3	191.9	125.5
Eurobond 2027	Apr. 2020	Apr. 2027	€ 500.0	€ 500.0	2.500%	539.3	528.8	511.4
Eurobond 2035	Apr. 2020	Apr. 2035	€ 500.0	€ 500.0	3.375%	535.6	525.3	478.9
Senior Note 2030	Nov. 2020	Nov. 2030	$ 500.0	$500.0	2.200%	495.7	495.4	391.6
Senior Note 2051	May 2021	May 2051	$ 500.0	$500.0	3.750%	491.2	491.1	325.5
Eurobond 2031	July 2021	July 2031	€ 500.0	€ 305.7	1.000%	327.9	526.6	257.1
Senior Note 2052	April 2022	April 2052	$ 500.0	$ 500.0	4.500%	485.1	484.8	374.7
Eurobond 2032	June 2022	June 2032	€ 500.0	€ 500.0	4.750%	539.6	529.6	547.6
Eurobond 2033	June 2023	June 2033	€ 500.0	€ 500.0	5.000%	538.5	-	551.2
Notes						**9,556.5**	**9,761.6**	**8,405.3**

Bank Loans	Issued	Due	Original Principal in m	Remaining Principal in m	Carrying Value 30 June 2023 in $m	Carrying Value 31 Dec. 2022 in $m
Bank loans JPY	Oct. 2022 – May 2023	Oct. 2024 – May 2028	¥58,851	¥58,851	402.7	221.1
Bank loans EUR	Nov. – Dec. 2022	Nov. – Dec. 2024	€ 100.0	€ 100.0	108.4	212.8
Bank loans					**511.1**	**433.9**

Note	Repaid notes and additional issuances
Eurobond 2031	In May 2023, the Group early repaid notes in the principal amount of €194.3m ($208.6m).
Eurobond 2023	In May 2023, the Group repaid notes with a remaining principal amount of €642.0m ($689.2m).
Eurobond 2033	In June 2023, the Group issued long-term notes in the aggregate principal amount of €500.0m at an interest rate of 5.0% p.a.

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 €3.3 billion undrawn credit facilities totalling $3.6 billion (31 December 2022: €3.1 billion; $3.3 billion). As of 30 June 2023, the Group had no outstanding balance under its credit facilities (31 December 2022: €100.0m).

1 *Fair value as of 30 June 2023 includes interest accruals for which the corresponding carrying value in the amount of $41.3m is presented within other liabilities (note 3.8.).*

3.8. Other liabilities

	30 June 2023 in $m	31 December 2022 in $m
Foreign exchange contracts	28.9	33.0
Accrued interest and other bank fees	49.3	99.4
Cash-settled share-based payments	30.4	26.9
Other investments	9.5	65.1
Lease liability	7.3	7.6
Trade and other payables	29.1	38.4
Total	**154.5**	**270.4**
Current	119.6	229.3
Non-current	34.9	41.1

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

3.9. Finance income and expenses

Finance income can be detailed as follows:

	For the six months ended 30 June 2023 in $m	For the six months ended 30 June 2022 in $m
Net foreign exchange gain	-	683.0
Other (including interest income)	69.2	10.1
Total	**69.2**	**693.1**

Finance expenses can be detailed as follows:

	For the six months ended 30 June 2023 in $m	For the six months ended 30 June 2022 in $m
Net foreign exchange loss	(157.0)	-
Interest expense	(94.8)	(111.9)
Other	(6.2)	(6.4)
Total	**(258.0)**	**(118.3)**

Notes to the Interim Condensed Consolidated Financial Statements (continued)

3.10. General and administrative expenses

General and administrative expenses can be detailed as follows:

	For the six months ended 30 June 2023 in $m	*For the six months ended 30 June 2022* in $m
Salary and personnel related expenses	(20.3)	(15.5)
Consulting fees, service fees and others	(29.5)	(32.5)
Total	**(49.8)**	**(48.0)**

General and administrative expenses include JAB Holding expenses ($31.5m; six months period ended 30 June 2022: $40.9m) and Platform expenses ($18.3m; six months period ended 30 June 2022: $7.1m).

3.11. Other income / expense

Other income and expense can be detailed as follows:

	For the six months ended 30 June 2023 in $m	*For the six months ended 30 June 2022* in $m
Expenses from share-based payments (equity-settled)	(179.4)	(166.4)
Other	-	(7.7)
Total	**(179.4)**	**(174.1)**

3.12. Income tax

	For the six months ended 30 June 2023 in $m	*For the six months ended 30 June 2022* in $m
Withholding tax on dividends and finance income	(0.4)	(0.2)
Income tax and federal taxes	0.4	(0.3)
Total	**0.0**	**(0.5)**

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.

3.13. Related parties

The related parties are disclosed in the consolidated financial statements 2022. 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 3.2. and 3.6. to the Interim Condensed Consolidated financial statements.

3.14. Contingent liabilities

As of 30 June 2023, the Group provides no material guarantees to third parties.

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 2023			31 December 2022		
	Amortised cost	*FVTPL*	*Total*	*Amortised cost*	*FVTPL*	*Total*
	In $m	In $m	In $m	In $m	In $m	In $m
Investments in subsidiaries	-	48,562.1	**48,562.1**	-	49,119.3	**49,119.3**
Other investments	-	788.7	**788.7**	-	371.3	**371.3**
Other loans	45.3	-	**45.3**	52.6	-	**52.6**
Other assets	69.6	7.8	**77.4**	33.9	7.4	**41.3**
Cash and cash equivalents	3,723.7	-	**3,723.7**	3,837.4	-	**3,837.4**
Total	**3,838.6**	**49,358.6**	**53,197.2**	**3,923.9**	**49,498.0**	**53,421.9**

Liabilities as per statement of financial position

	30 June 2023			31 December 2022		
	Amortised cost	*FVTPL*	*Total*	*Amortised cost*	*FVTPL*	*Total*
	In $m	In $m	In $m	In $m	In $m	In $m
Borrowings	10,067.6	-	**10,067.6**	10,195.5	-	**10,195.5**
Related party payable	-	-	**-**	1,044.2	-	**1,044.2**
Other liabilities	85.7	38.4	**124.1**	145.4	98.1	**243.5**
Total	**10,153.3**	**38.4**	**10,191.7**	**11,385.1**	**98.1**	**11,483.2**

Cash and cash equivalents, as well as other receivables, are subject to the impairment requirements of IFRS 9. As of 30 June 2023 and 31 December 2022, 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 $9,556.5m (31 December 2022: $9,761.6m), the fair value is $8,405.3m (31 December 2022: $8,390.2m) 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.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

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 2023			
	Level 1 In $m	Level 2 In $m	Level 3 In $m	Total In $m
Financial assets at FVTPL				
Investments in subsidiaries				
Unlisted equity investments	-	5,318.5	43,243.6	48,562.1
Other investments	-	69.6	719.1	788.7
Foreign exchange contracts	-	7.8	-	7.8
Total financial assets	**-**	**5,395.9**	**43,962.7**	**49,358.6**
Financial liabilities at FVTPL				
Other investments	-	9.5	-	9.5
Foreign exchange contracts	-	28.9	-	28.9
Total financial assets	**-**	**38.4**	**-**	**38.4**

	31 December 2022			
	Level 1 In $m	Level 2 In $m	Level 3 In $m	Total In $m
Financial assets at FVTPL				
Investments in subsidiaries				
Unlisted equity investments	-	3,684.6	45,434.7	49,119.3
Other investments	96.3	1.0	274.0	371.3
Foreign exchange contracts	-	7.4	-	7.4
Total financial assets	**96.3**	**3,693.0**	**45,708.7**	**49,498.0**
Financial liabilities at FVTPL				
Other investments	-	65.1	-	65.1
Foreign exchange contracts	-	33.0	-	33.0
Total financial assets	**-**	**98.1**	**-**	**98.1**

There were no transfers between the levels in the six months period ended 30 June 2023 (six months ended 30 June 2022: 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	*Other investments*
	Unlisted equity investments	***Preferred shares***
	In $m	In $m
Balance as of 31 December 2022	**45,434.7**	**274.0**
Additions / contributions	968.6	423.7
Disposals / distributions	(2,012.3)	-
Change in fair value	(887.2)	21.4
Intra-group investment elimination	(260.2)	-
Balance as of 30 June 2023	**43,243.6**	**719.1**

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 of 30 June 2023 the fair value of these agreements was $0 (31 December 2022: $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 2022 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 2023 In $m	*Carrying amount 31 December 2022* In $m
Investments		
Other investments	69.6	96.3
Other liabilities	(9.5)	(65.1)
Total	**60.1**	**(31.2)**

A value at risk assessment has been employed to estimate sensitivity of the exposure to equity price risks for other investments and other liabilities at the end of the reporting period. The calculation employs historical statistical methods that use 6 months of market data as input. The value at risk assessment quantifies potential changes to equity price risk for a one day holding period and is calibrated to a 99% confidence level. Based on this assessment, the value at risk as per 30 June 2023 is estimated at $40.2m (2022: $14.6m).

Further, the Group has indirect exposure to equity price risks from indirectly held listed investments at the end of the reporting period. If share prices had been 5% higher/lower, the result for the period ended 30 June 2023 would have increased/decreased by $1,365.2m as a result of changes in the fair value of the equity investments classified as at FVTPL (31 December 2022: $1,417.6m). Other comprehensive income for the six months period ended 30 June 2023 would have been unaffected (31 December 2022: $0.0m).

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 2023.

Luxembourg, 8 September 2023

O. Goudet	**F. Engelen**
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To the Board of Managers of
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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 2023, 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 2023, 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, 8 September 2023

KPMG Audit S.à r.l.
Cabinet de révision agréé

Yves Thorn

Graphic design

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