

# Interim Report 1<sup>st</sup> half 2021/22

September 1, 2021 - February 28, 2022

April 6, 2022 – Company announcement no. 3

## Strong Q2 growth in a challenging environment

Statement by CEO Mauricio Graber: *"In a challenging environment, Chr. Hansen continued its strong growth trajectory, delivering 14% organic growth in the second quarter. Growth in Health & Nutrition further accelerated, supported by Human Health, while Food Cultures & Enzymes showed solid growth, mainly driven by its core segments and developed markets. In the second quarter, the EBIT margin b.s.i. increased to 27.7% thanks to strong volume growth. The performance in the first half of the year provides a robust foundation for delivering on our ambitions for the full year. However, overall market volatility has increased due to the accelerating inflationary pressure and the Russian invasion of Ukraine. We are responding to the higher cost inflation with proactive pricing measures and are adjusting our outlook by upgrading our organic revenue growth target, while also lowering expectations for the near-term EBIT margin b.s.i. The net effect is expected to be largely neutral on EBIT b.s.i., consistent with our prior guidance, and we maintain our expectations for free cash flow b.s.i."*

## Q2 2021/22 highlights

- Revenue amounted to EUR 304 million, up 17% from EUR 260 million in Q2 2020/21. Year-to-date revenue amounted to 572 million, up 14% from last year.
- Organic growth was 14% in Q2 2021/22 mainly driven by volume growth. The Lighthouses (Bioprotection, Fermented Plant Bases, Plant Health and HMO) delivered 12% organic growth combined, while the remaining core businesses delivered 14% organic growth. Year-to-date organic growth was 12%.
  - Food Cultures & Enzymes organic growth was 7% mainly driven by volume. Year-to-date organic growth was 7%.
  - Health & Nutrition organic growth was 26% driven by volume. Year-to-date organic growth was 20%.
- EBIT before special items (b.s.i.) amounted to EUR 84 million, up 20% from EUR 70 million in Q2 2020/21. The increase was driven by the strong sales performance in Health and Nutrition, while EBIT b.s.i. in Food Cultures & Enzymes was on par with the Q2 2020/21 level due to a negative impact from higher input costs. Year-to-date EBIT b.s.i. amounted to EUR 150 million, up 14% from last year.
- The EBIT margin b.s.i. was 27.7%, up from 27.0% in Q2 2020/21. Production efficiencies, scalability effects from the strong sales performance, and a positive impact from currencies were partly offset by higher input costs and a general ramp-up of activities. Year-to-date EBIT margin b.s.i. was 26.2%, compared to 26.1% last year.
- Free cash flow before acquisitions and special items (b.a.s.i.) amounted to EUR 31 million, down EUR 11 million from Q2 2020/21, as improved operating profit was offset by increased investing activities and a change in working capital. Year-to-date free cash flow b.a.s.i. amounted to EUR 86 million, up from EUR 35 million last year. The increase was due to both improved cash flow from operating activities and reduced operational investing activities.
- The Russian invasion of Ukraine and its geopolitical consequences have impacted Chr. Hansen as a global supplier to the food and health industries. We will continue to support our Ukrainian employees and customers and, for now, will fulfill our supply obligations to provide only ingredients for basic food and human health products to Russia servicing the basic needs of civilians in full respect of global sanctions. The situation will have a negative impact on the outlook for the year causing both a lower topline and a reduced EBIT. Profit from continued operations in Chr. Hansen LLC, Russia during the conflict will be donated to humanitarian aid in support of Ukraine.
- Implementation of price adjustments to reflect the inflationary pressure is progressing, however, as expected, with modest impact in Q2. Given the accelerated inflationary pressure on raw material, energy and logistics costs, in part driven by the Russian invasion of Ukraine, further price increases will be introduced in the second half. This will come with a certain delay impacting the outlook for the EBIT margin before special items for 2021/22 negatively.

## Outlook

Due to the current geopolitical situation and the accelerating inflationary environment we adjust the 2021/22 outlook for organic revenue growth and EBIT margin b.s.i., while maintaining the outlook for the free cash flow b.s.i. relative to the guidance provided on January 13, 2022.

	April 6, 2022	Jan 13, 2022
• Organic growth is expected in the range of	7-11%	5-8%
• EBIT margin before special items is expected to be	26-27%	27-28%
• Free cash flow before special items is expected to be around	EURm 140-170	EURm 140-170

# Financial highlights and key figures

	Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21		Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21
<b>Income statement, EUR million, continuing operations</b>					<b>Group revenue growth drivers, %</b>				
Revenue	303.6	260.0	571.8	503.5	Organic growth <sup>2)</sup>	14%	10%	12%	10%
Gross profit	170.0	147.3	317.2	283.3	Volume/mix	13%	5%	11%	5%
EBITDA b.s.i.	110.6	93.1	200.6	180.9	Price	1%	5%	1%	5%
EBITA b.s.i.	95.8	81.8	172.4	153.9	Currencies	3%	(10%)	2%	(9%)
EBIT b.s.i.	84.1	70.1	149.6	131.5	M&A	0%	9%	0%	9%
Special items	(1.0)	(4.2)	(0.7)	(10.6)	EUR growth	17%	9%	14%	10%
EBIT	83.1	65.9	148.9	120.9	<b>Organic growth by region, %</b>				
Net financial expenses	(5.1)	(4.4)	(9.7)	(11.0)	EMEA	13%	4%	11%	6%
Profit for the period	58.5	46.1	104.7	82.2	NA	12%	7%	12%	8%
<b>Cash flow and investments, EUR million, continuing operations</b>					APAC	16%	10%	10%	3%
Operating cash flow	57.6	58.2	130.1	97.0	LATAM	17%	32%	13%	36%
Investing cash flow	(27.6)	(25.7)	(47.4)	(401.9)	<b>Food Cultures &amp; Enzymes, EUR million / %</b>				
Investments in PPE	(22.2)	(16.2)	(36.3)	(66.3)	Revenue	182.0	168.7	359.7	334.0
Free cash flow b.a.s.i.	31.0	41.8	85.7	34.9	Organic growth <sup>2)</sup>	7%	8%	7%	8%
<b>Balance sheet, EUR million, Group<sup>1)</sup></b>					Volume/mix	6%	2%	6%	2%
Total assets			3,142.9	3,236.0	Currencies	1%	(10%)	1%	(9%)
Invested capital			2,839.2	2,933.4	EUR growth	8%	(2%)	8%	(1%)
Equity			1,641.9	980.0	EBITDA b.s.i.	63.9	64.6	131.0	129.8
Net interest-bearing debt			938.9	1,680.8	EBITDA margin b.s.i.	35.1%	38.3%	36.4%	38.9%
<b>Key ratios, continuing operations</b>					EBIT b.s.i.	51.0	52.2	105.7	103.0
Gross margin	56.0%	56.7%	55.5%	56.3%	EBIT margin b.s.i.	28.0%	31.0%	29.4%	30.8%
EBITDA margin b.s.i.	36.4%	35.8%	35.1%	35.9%	ROIC excl. goodwill	30.6%	32.9%	31.9%	32.9%
EBITA margin b.s.i.	31.6%	31.5%	30.2%	30.6%	<b>Health &amp; Nutrition, EUR million / %</b>				
EBIT margin b.s.i.	27.7%	27.0%	26.2%	26.1%	Revenue	121.6	91.3	212.1	169.5
EBIT margin	27.4%	25.3%	26.0%	24.0%	Organic growth <sup>2)</sup>	26%	14%	20%	14%
Operational expenses	28.3%	29.7%	29.3%	30.1%	Volume/mix	27%	13%	21%	13%
R&D expenditure	8.2%	8.5%	8.3%	8.5%	Currencies	6%	(9%)	4%	(9%)
Capital expenditures	9.1%	7.9%	7.9%	14.9%	M&A	0%	31%	1%	35%
EPS diluted, EUR	0.44	0.35	0.79	0.62	EUR growth	33%	36%	25%	40%
Net working capital	224.1	219.7	224.1	219.7	EBITDA b.s.i.	46.7	28.5	69.6	51.1
Cash conversion	58.1%	51.0%	60.6%	52.1%	EBITDA margin b.s.i.	38.4%	31.2%	32.8%	30.1%
ROIC excl. goodwill	25.5%	23.1%	22.6%	22.1%	EBIT b.s.i.	33.1	17.9	43.9	28.5
ROIC	12.0%	10.7%	10.6%	10.3%	EBIT margin b.s.i.	27.3%	19.6%	20.7%	16.8%
Net debt to EBITDA before special items, Group	2.2x	3.7x	2.2x	3.7x	ROIC excl. goodwill	19.9%	11.0%	13.3%	10.1%

1) The Natural Colors business was sold March 31, 2021.

2) Organic growth: Increase in revenue adjusted for sales reduction, acquisitions and divestments, and measured in local currency.

# Strategic and operational highlights

## 2025 Strategy

Under its 2025 Strategy, Chr. Hansen will continue its journey as a differentiated bioscience company focused on microbial and fermentation technology platforms. The 2025 Strategy is based on three pillars:

REINVEST in the core platforms Food Cultures & Enzymes and Health & Nutrition.

- The expansion of fermentation capacity in Milwaukee, US was completed in Q2 2021/22. The expanded capacity will support the dairy segment.
- The FRESHQ® 3<sup>rd</sup> generation of bioprotective solutions received the “Food Tech Innovation Award” at the Food Ingredients Europe conference in December 2021.

LEVERAGE the technology platform to develop solutions for new applications and end markets.

- In Plant Health, Chr. Hansen received regulatory approval to launch its first biofungicide for fruits and vegetables.

EXTEND the technology platform through acquisitions and the expansion of the R&D partner network.

- Chr. Hansen inaugurated a new R&D laboratory for HMOs in Rheinbreitbach, Germany during Q2 2021/22.

## Ukraine and Russia

Chr. Hansen are appalled by the escalating violence in Ukraine and condemn the Russian invasion in the strongest possible terms. Our hearts and thoughts go out to the people of Ukraine.

As a global supplier to the food and health industries, we have responsibilities towards fulfilling the basic needs of civilians for food and health products, also in Russia. For now, we will therefore continue to supply only ingredients for basic food and human health products, in full respect of global sanctions. We are discontinuing supply of products that fall outside these categories.

We have decided that all profit from our continued operations in Chr. Hansen LLC, Russia during the conflict will be donated to humanitarian aid in support of Ukraine.

We continuously evaluate further potential changes in our activities as the situation develops. At the same time, we are specifically monitoring sanctions and people safety in the supply chain. Our top priority continues to be on the safety of our affected employees and their families in Ukraine.

## Long-term financial ambitions (until 2024/25)

Chr. Hansen remains committed to delivering industry-leading profitable growth and strong cash flows with the focus on cost discipline and capital efficiency.

- Mid- to high-single-digit organic growth, averaged over the period.
- An increase of the EBIT margin before special items over the period to above 30% driven by efficiency gains, scalability benefits and acquisition synergies that will be partly reinvested in the business.
- Average growth in free cash flow before special items exceeding the average growth in EBIT before special items.

While the global political and economic environment has changed significantly in the past six months, particularly impacted by the Russian invasion of Ukraine and an accelerating inflationary pressure, Chr. Hansen maintains its long-term financial ambitions, based on the following assumptions:

- Constant currencies and no impact from future acquisitions or divestments.
- A stabilization of the political and macroeconomic environment.
- Adjustment of selling prices to offset inflationary pressure over the period.

# Business review

## Market developments

### Food Cultures & Enzymes

According to the Company's own estimates, the global production of cheese grew by around 2% in Q2 2021/22, driven by North America and Europe which benefited from the re-opening of the food service channel, while the end markets for fermented milk remained impacted by weakened demand in China and Latin America compared to the same period last year.

### Health & Nutrition

The global probiotic supplements market benefited from a rebound in the traditional sales channels in North America and Europe, while growth in the online sales channels remained strong. Markets are expected to remain volatile, however, momentum is expected to normalize during the second half of 2021/22.

The market for infant formula remained negatively impacted by reduced production volumes and lower birth rates, especially in China. Customer interest for HMOs remains high and product registrations in China and other key markets are ongoing.

The market for microbial-based solutions for plant protection developed favorably supported by strong commodity prices, whilst high feed prices negatively impacted the selling environment for animal feed probiotics.

## Sales performance

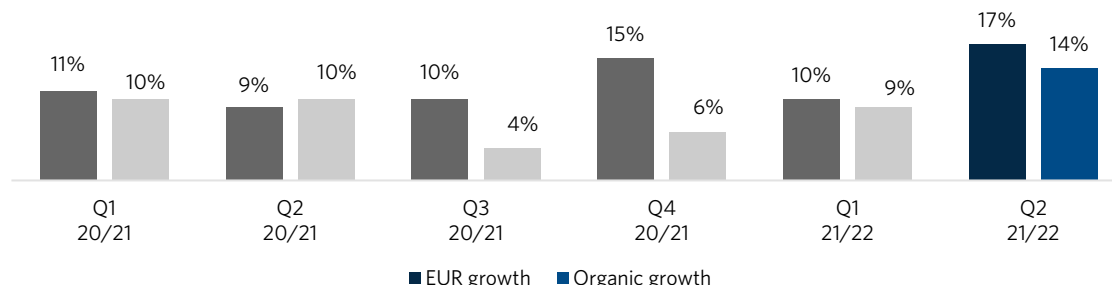
Q2 2021/22 revenue amounted to EUR 304 million, up 17% from EUR 260 million in Q2 2020/21. Revenue was positively impacted by 3% from currency effects.

Organic growth was 14% supported by strong growth from Health & Nutrition and solid growth from Food Cultures & Enzymes. The improvement was driven by volume growth while implementation of price adjustments to reflect the current inflationary pressure started to impact positively towards the end of Q2.

The Lighthouses (Bioprotection, Fermented Plant Bases, Plant Health and HMO) accounted for approx. 10% of revenue and delivered 12% organic growth combined, while the core businesses delivered 14% organic growth.

Year-to-date organic growth was 12% and adjusted for a currency impact of 2% corresponded to a revenue increase of 14% to EUR 572 million. The Lighthouses accounted for approx. 10% of revenue and delivered 22% organic growth combined, while the core businesses delivered 11% organic growth.

### Revenue growth, Group



## Sales performance by segment

### Food Cultures & Enzymes

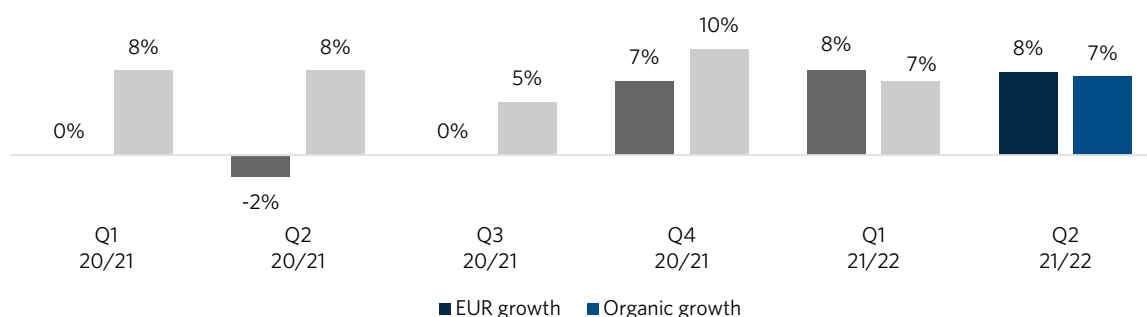
Q2 2021/22 revenue amounted to EUR 182 million, up 8% from EUR 169 million in Q2 2020/21. Revenue was positively impacted by 1% from currency effects. Organic growth was 7% and largely driven by volume, while the impact from pricing was approximately 1% as price increases impacted growth positively towards the end of Q2.

Dairy delivered solid growth supported by strong project execution and continued strong momentum in cheese in North America, while China grew slightly compared to last year.

Food & Beverages delivered solid growth driven by meat applications, especially within bioprotective solutions.

Year-to-date organic growth was 7% and adjusted for a currency impact of 1% corresponded to a revenue increase of 8% to EUR 360 million.

#### Revenue growth, Food Cultures & Enzymes



### Health & Nutrition

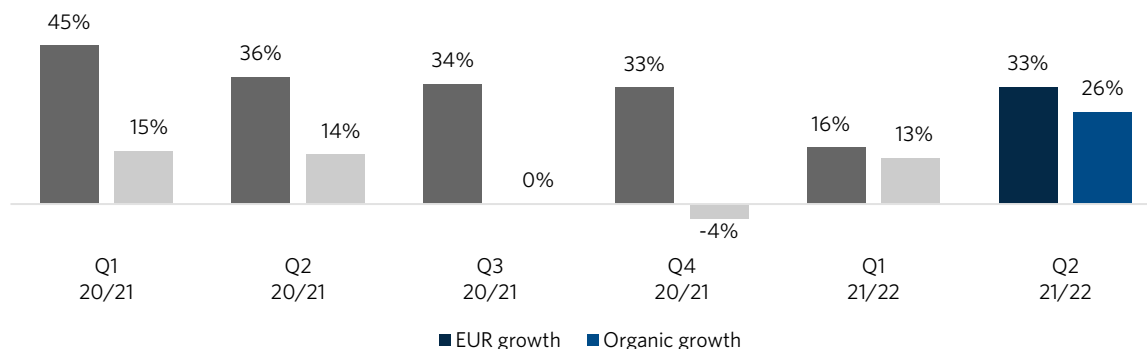
Q2 2021/22 revenue amounted to EUR 122 million, up 33% from EUR 91 million in Q2 2020/21. Revenue was positively impacted by 6% from currency effects. Q2 organic growth was 26% driven by volume.

Human Health and HMO delivered very strong growth. In Human Health, growth was supported by increased activity in the traditional sales channels in Europe, new business wins in women's health and high pre-launch activity.

Animal Health and Plant Health delivered solid growth.

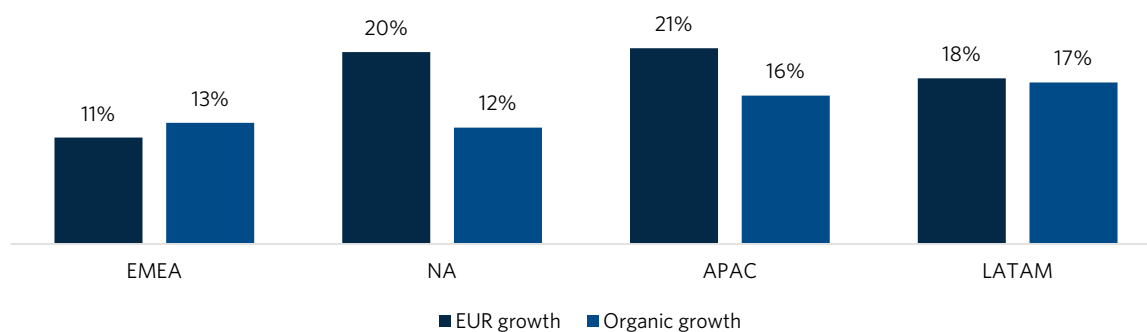
Year-to-date organic growth was 20% and adjusted for a currency impact of 4% and for 1% from acquisitions, corresponded to a revenue increase of 25% to EUR 212 million.

#### Revenue growth, Health & Nutrition



## Sales performance by region

### Revenue growth by region



#### Europe, Middle East and Africa (EMEA), 36% of revenue in Q2 2021/22

Q2 2021/22 organic growth was 13%, while revenue increased by 11%. Revenue was impacted negatively by 2% from currency effects. Organic growth was driven by very strong growth in Health & Nutrition, while Food Cultures & Enzymes delivered solid growth.

Growth in Health & Nutrition was supported by increased activity in the traditional sales channels and strong HMO sales, while growth in Food Cultures & Enzymes was supported by good progress in the sales project pipeline.

Year-to-date organic growth was 11% and adjusted for a negative currency impact of 2% corresponded to a revenue increase of 9% to EUR 207 million.

#### North America (NA), 32% of revenue in Q2 2021/22

Q2 2021/22 organic growth was 12%, while revenue increased by 20%. Revenue was impacted positively by 8% from currency effects. Organic growth was driven by very strong growth in Health & Nutrition, while Food Cultures & Enzymes delivered solid growth.

Growth in Health & Nutrition was supported by high pre-launch activity, while growth in Food Cultures & Enzymes was driven by strong momentum in the cheese segment.

Year-to-date organic growth was 12% and adjusted for a positive currency impact of 7% corresponded to a revenue increase of 19% to EUR 189 million.

#### Asia-Pacific (APAC), 20% of revenue in Q2 2021/22

Q2 2021/22 organic growth was 16%, while revenue increased by 21%. Revenue was impacted positively by 5% from currency effects. Organic growth was driven by very strong growth in Health & Nutrition, while Food Cultures & Enzymes delivered solid growth.

Growth in Health & Nutrition was driven by very strong growth in Human Health supported by the recent acquisitions and business wins in women's health. Growth in Food Cultures & Enzymes was driven by strong momentum across geographies except for China which grew slightly compared to last year.

Year-to-date organic growth was 10% and adjusted for a positive currency impact of 5% corresponded to a revenue increase of 15% to EUR 106 million.

#### Latin America (LATAM), 12% of revenue in Q2 2021/22

Q2 2021/22 organic growth was 17%, while revenue increased by 18%. Revenue was impacted positively by 1% due to currency effects. Organic growth was driven by a very strong performance in Health & Nutrition, with Food Cultures & Enzymes delivering solid growth.

Growth in Health & Nutrition was supported by a very strong performance for Animal and Plant Health, while growth in Food Cultures & Enzymes was partly due to a positive impact from pricing. Year-to-date organic growth was 13% and adjusted for a negative currency impact of 4% corresponded to a revenue increase of 9% to EUR 69 million.

## Financial review

### Gross margin

The Q2 2021/22 gross margin declined by 0.7 percentage point to 56.0%, as higher input costs of energy, key raw materials and transport were only partly offset by scalability effects from the strong sales performance and efficiency improvements.

Year-to-date gross margin was 55.5%, compared to 56.3% last year as higher input costs of energy, key raw materials and transport, and the full inclusion of HMO (acquisition closed on October 9, 2020) were only partly offset by scalability effects from the strong sales performance and efficiency improvements.

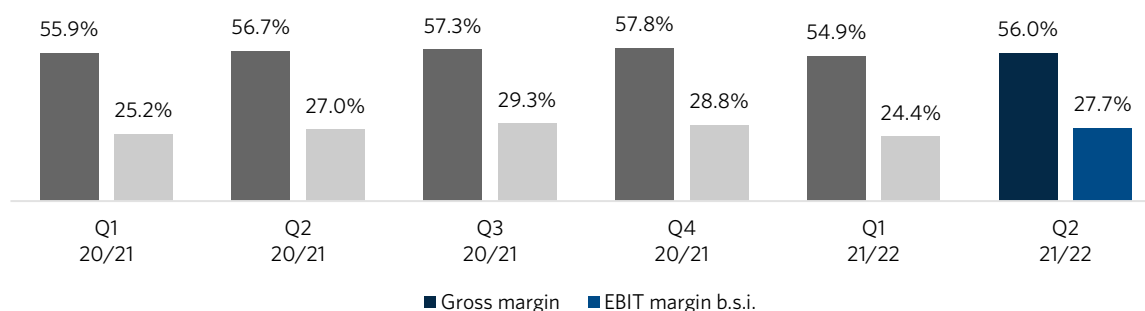
### Operating expenses

Q2 2021/22 operating expenses totaled EUR 86 million, up 11% from EUR 77 million in Q2 2020/21. Expenses were impacted by a general ramp-up of activities, particularly related to travel, as in-person customer interactions increased during the quarter.

Year-to-date operating expenses increased by 10% to EUR 168 million. The increase was mainly due to ramp-up of activities following COVID-19.

Total amortization amounted to EUR 12 million in Q2 2021/22, of which EUR 5 million related to the acquisitions of HSO, UAS & Jennewein. Year-to-date amortization amounted to EUR 23 million, of which EUR 10 million related to the recent acquisitions.

### Margins, Group



### EBIT b.s.i. and EBIT margin before special items

EBIT b.s.i. amounted to EUR 84 million, up 20% from EUR 70 million in Q2 2020/21. The increase was driven by the strong sales performance in Health & Nutrition, while EBIT b.s.i. in Food Cultures & Enzymes was on par with the Q2 2020/21 level due to a negative impact from higher input costs.

The Q2 2021/22 EBIT margin b.s.i. was 27.7%, up from 27.0% in Q2 2020/21. Production efficiencies, scalability effects from the strong sales performance in Health & Nutrition, and a positive contribution from currencies were partly offset by higher input costs not yet reflected in the sales prices, and a general ramp-up of activities.

Food Cultures & Enzymes's Q2 2021/22 EBIT b.s.i. amounted to EUR 51 million, down 2% from EUR 52 million in Q2 2020/21. The EBIT margin b.s.i. was 28.0%, compared to 31.0% last year as higher raw material prices, increased freight costs, scrap, and a general ramp-up of activities was only partly offset by production efficiencies and a positive impact from currency effects. Year-to-date EBIT margin b.s.i. was 29.4%, compared to 30.8% last year.

Health & Nutrition's Q2 2021/22 EBIT b.s.i. amounted to EUR 33 million, up 85% from EUR 18 million in Q2 2020/21. The EBIT margin b.s.i. was 27.3%, compared to 19.6% last year, as scalability effects from the strong sales performance, acquisition synergies, and currencies did more than offset higher input costs and a general ramp-up of activities. Year-to-date EBIT margin b.s.i. was 20.7%, compared to 16.8% last year.

Year-to-date EBIT b.s.i. increased by EUR 18 million to EUR 150 million, while the EBIT margin b.s.i. was 26.2%, compared to 26.1% last year. Production efficiencies and scalability effects were offset by higher input costs not yet reflected in the sales prices, a general ramp-up of activities following COVID-19, and the full inclusion of HMO.

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## Special items and EBIT

Special items amounted to an expense of EUR 1 million in Q2 2021/22, compared to an expense of EUR 4 million last year. EBIT amounted to EUR 83 million, up 26% from EUR 66 million in Q2 2020/21. The EBIT margin ended at 27.4%, compared to 25.3% in Q2 2020/21.

Year-to-date special items were an expenses of EUR 1 million, compared to an expense of EUR 11 million last year. EBIT amounted to EUR 149 million, up 23% from EUR 121 million last year. The EBIT margin reached 26.0%, compared to 24.0% last year.

## Net financials, share of JV and tax

Net financial expenses amounted to EUR 5 million, up from EUR 4 million in Q2 2020/21. Year-to-date net financial expenses amounted to EUR 10 million, down from EUR 11 million last year, due to lower interest expenses resulting from the lower debt level.

The Bacthera JV produced a EUR 2 million loss to Chr. Hansen, in line with Q2 2020/21. Year-to date the loss was EUR 3 million, in line with last year.

Income taxes amounted to EUR 18 million, up from EUR 14 million in Q2 2020/21. Year-to-date income taxes amounted to EUR 31 million, up from EUR 25 million last year. The effective tax rate was 23.0%, unchanged from last year.

## Profit for the period

Profit for the period amounted to EUR 59 million, up 27% from EUR 46 million in Q2 2020/21 (EUR 53 million including profit from discontinued operations). Year-to-date profit amounted to EUR 105 million, up from EUR 82 million last year.

Earnings per share, diluted, amounted to EUR 0.44 compared to EUR 0.35 in Q2 2020/21 (EUR 0.41 including earnings from discontinued operations). Year-to-date earnings per share, diluted, amounted to EUR 0.79 compared to EUR 0.62 last year (EUR 0.72 including earnings from discontinued operations).

## Cash flows

Year-to-date free cash flow b.a.s.i. was EUR 86 million, up EUR 51 million from EUR 35 million last year (EUR 21 million including discontinued operations).

Year-to-date cash flow from operating activities b.a.s.i. was EUR 131 million, up 22% from EUR 108 million last year (EUR 98 million including discontinued operations). The increase was driven by the improved operating profit.

Year-to date cash flow used for operational investing activities was EUR 45 million, down 38% from EUR 73 million last year (EUR 77 million including discontinued operations). The decrease in spending was driven in part by the acquisition of the Kalundborg facility last year.

## Equity, Group

Total equity amounted to EUR 1,642 million, compared to EUR 980 million on February 28, 2021. The increase was mainly due to the gain from the divestment of Natural Colors recognized in Q3 2020/21. An ordinary dividend for the 2020/21 financial year totaling EUR 116 million was paid out on November 29, 2021.

## Net debt, Group

Net interest-bearing debt amounted to EUR 939 million, or 2.2x EBITDA, compared to EUR 1,681 million, or 3.7x EBITDA, on February 28, 2021. The reduction was driven by the proceeds from the divestment of Natural Colors in Q3 2020/21. The 2.2x EBITDA on February 28, 2022 was impacted by tax payments and the ordinary dividend pay-out, but was still down from 2.4x EBITDA at the end of Q1.

## Return on invested capital

Invested capital excluding goodwill amounted to EUR 1,345 million, up 5% from EUR 1,286 million on February 28, 2021 (EUR 1,446 million including discontinued operations). The increase was driven by property, plant and equipment.

The year-to-date return on invested capital excluding goodwill was 22.6%, compared to 22.1% last year. The increase was driven by the strong sales performance in Health & Nutrition, while the return on invested capital in Food Cultures & Enzymes was down compared to last year due to the negative impact from higher input costs and a general ramp-up of activities.

Goodwill amounted to EUR 1,494 million, in line with February 28, 2021. Return on invested capital including goodwill was 10.6%, compared to 10.3% last year (11.0% including discontinued operations).



# Outlook for 2021/22

## Assumptions

The outlook is based on the following assumptions:

- Constant currencies.
- No acquisitions.
- The current political and economic environment.

Continued changes in the political and macroeconomic climate including additional sanctions, supply disruptions, developments in raw material and other input costs such as energy may impact the outlook significantly in the second half of 2021/22.

## Organic revenue growth

Considering the strong organic growth in the first half of 2021/22 combined with additional pricing initiatives to address the accelerating inflationary pressure, and the current high level of macroeconomic uncertainty following the Russian invasion of Ukraine, organic growth for 2021/22 is now expected in the range of 7-11%, compared to the original expectation of 5-8%.

## EBIT margin before special items

EBIT margin before special items is now expected to be 26-27%, compared to the original expectation of 27-28%. The adjusted outlook for the EBIT margin before special items is due to the accelerated inflationary environment which is only partly offset by adjustments in sales prices, and actions to protect against supply chain disruptions. The donation of profit from continued operations during the conflict in Chr. Hansen LLC, Russia will have a limited negative impact on the EBIT margin b.s.i. for 2021/22.

## Free cash flow before special items

With guidance for higher organic revenue growth and lower EBIT margin before special items outlook, the expectations for the underlying operating profit remain largely unchanged and free cash flow before special items is still expected at around EUR 140-170 million. The free cash flow outlook assumes a CAPEX level in line with 2020/21.

## FX sensitivity

The most significant currency exposure relates to USD, which accounts for around 35% of revenue, while exposure to other currencies is more modest. A 5% decrease in the EUR/USD exchange rate would have a negative annualized impact on revenue measured in EUR of around EUR 20 million. Organic revenue growth is sensitive to exchange rate fluctuations in currencies for which Chr. Hansen applies a EUR-based pricing model.

The EBIT margin is also sensitive to exchange rate fluctuations. Production in the US only partly offsets the impact on revenue from changes in the EUR/USD exchange rate. Therefore, the relative EBIT exposure is higher than the revenue exposure. A 5% decrease in the EUR/USD exchange rate would impact EBIT negatively by roughly two thirds of the revenue impact. This level of sensitivity also applies to the free cash flow.

## Additional information

### Changes to the Executive Board

As announced on March 24, 2022 Thomas Schäfer, Executive Vice President & Chief Scientific Officer, and member of the Executive Board stepped down as EVP and CSO of Chr. Hansen Holding A/S effective March 31, 2022. Thomas Schäfer will continue as Chief Science Advisor to CEO Mauricio Graber, as well as continue as member of the Board of Directors in Bacthera AG (Chr. Hansen's Joint Venture with Lonza AG) and the BioInnovation Institute.

As of April 1, 2022, Henrik Joerck Nielsen, previously Senior Vice President Animal Health, was promoted to Chief Scientific Officer.

Following the change, the Executive Board will consist of CEO Mauricio Graber and CFO Lise Mortensen.

### Conference call

Chr. Hansen will host a conference call on April 6, 2022 at 10:00 am CET. The conference call can be accessed via the Company's website, [www.chr-hansen.com](http://www.chr-hansen.com)

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### Financial calendar 2021/22

July 7, 2022	Interim Report Q3 2021/22
October 12, 2022	Annual Report 2021/22
November 23, 2022	Annual General Meeting 2022

### Company information

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### Forward-looking statements

This company announcement contains forward-looking statements that reflect management's current views and expectations with respect to Chr. Hansen's future and potential financial performance.

Those forward-looking statements are based upon data and information currently available to the company, and on a variety of assumptions, many of which may be beyond our control and subject to risks and uncertainties that may cause the actual results of the Company or the industry to differ materially from such forward-looking statements.

The information, opinions and forward-looking statements contained in this document speak only as at the date of it and the company is under no obligation to publish any updates thereof except for what is required by applicable law or stock exchange rules and regulations.

### About Chr. Hansen

Chr. Hansen is a global, differentiated bioscience company that develops natural ingredient solutions for the food, nutritional, pharmaceutical and agricultural industries. At Chr. Hansen we are uniquely positioned to drive positive change through microbial solutions. We have worked for over 145 years to enable sustainable agriculture, better food and healthier living for more people around the world. Our microbial and fermentation technology platforms, including our broad and relevant collection of around 40,000 microbial strains, have game-changing potential. Matching customer needs and global trends we continue to unlock the power of good bacteria to respond to global challenges such as food waste, global health and the overuse of antibiotics and pesticides. As the world's most sustainable food ingredients company, we touch the lives of more than 1 billion people every day. Driven by our legacy of innovation and curiosity to pioneer science, our purpose – To grow a better world. Naturally. – is at the heart of everything we do.

# Statement of the Board of Directors and Executive Board

Today, the Board of Directors and Executive Board have considered and approved the interim report for Chr. Hansen Holding A/S for the period September 1, 2021 to February 28, 2022. The interim report has not been audited or reviewed by the Company's independent auditors.

The unaudited interim report has been prepared in accordance with International Financial Reporting Standards and IAS 34 as adopted by the EU, and additional Danish regulations.

In our opinion, the accounting policies used are appropriate and the overall presentation of the interim report is adequate. Furthermore, the interim report gives a true and fair view of the Group's assets, liabilities and financial position at February 28, 2022, and of the results of the Group's operations and cash flow for the period September 1, 2021 to February 28, 2022.

We further consider that the Management's Review in the preceding pages includes a true and fair account of the development and performance of the Group, the results for the period and the financial position, together with a description of the principal risks and uncertainties that the Group faces, in accordance with Danish disclosure requirements for listed companies. Besides what has been disclosed in this report, no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the Annual Report of Chr. Hansen Holding A/S for 2020/21.

**Hørsholm, April 6, 2022**

## Executive Board

Mauricio Graber  
President and CEO

Lise Mortensen  
CFO

## Board of Directors

Dominique Reiniche  
Chair

Jesper Brandgaard  
Vice Chair

Luis Cantarell

Casper Lynghøj Giedo

Charlotte Hemmingsen

Lise Kaae

Heidi Kleinbach-Sauter

Kevin Lane

Karen Lauesen

Kim Ib Sørensen

Lillie Li Valeur

# Income statement

EUR million	Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21
Revenue	303.6	260.0	571.8	503.5
Cost of sales	(133.6)	(112.7)	(254.6)	(220.2)
<b>Gross profit</b>	<b>170.0</b>	<b>147.3</b>	<b>317.2</b>	<b>283.3</b>
Research and development expenses	(24.7)	(21.4)	(48.2)	(42.2)
Sales and marketing expenses	(42.9)	(37.8)	(82.1)	(73.9)
Administrative expenses	(19.1)	(18.1)	(38.1)	(36.2)
Other operating income	3.5	0.5	6.5	1.1
Other operating expenses	(2.7)	(0.4)	(5.7)	(0.6)
<b>Operating profit before special items (EBIT b.s.i.)</b>	<b>84.1</b>	<b>70.1</b>	<b>149.6</b>	<b>131.5</b>
Special items	(1.0)	(4.2)	(0.7)	(10.6)
<b>Operating profit (EBIT)</b>	<b>83.1</b>	<b>65.9</b>	<b>148.9</b>	<b>120.9</b>
Net financial expenses	(5.1)	(4.4)	(9.7)	(11.0)
Share of loss of joint ventures	(2.0)	(1.6)	(3.2)	(3.1)
<b>Profit before tax</b>	<b>76.0</b>	<b>59.9</b>	<b>136.0</b>	<b>106.8</b>
Income taxes	(17.5)	(13.8)	(31.3)	(24.6)
<b>Profit from continuing operations</b>	<b>58.5</b>	<b>46.1</b>	<b>104.7</b>	<b>82.2</b>
Profit from discontinued operations	-	6.9	-	12.2
<b>Profit for the period</b>	<b>58.5</b>	<b>53.0</b>	<b>104.7</b>	<b>94.4</b>
<b>Earnings per share, EUR</b>				
Earnings per share	0.44	0.41	0.79	0.72
Earnings per share, diluted	0.44	0.41	0.79	0.72
Earnings per share from continuing operations	0.44	0.35	0.79	0.62
Earnings per share from continuing operations, diluted	0.44	0.35	0.79	0.62

# Statement of comprehensive income

EUR million	Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21
Profit for the period	58.5	53.0	104.7	94.4
<b>Items that will not be reclassified subsequently to the income statement</b>				
Remeasurements of defined benefits plans	(0.1)	-	(0.1)	-
<b>Items that will be reclassified subsequently to the income statement when specific conditions are met</b>				
Exchange rate adjustments of foreign Group companies	5.1	(6.0)	13.1	(4.8)
Fair value adjustments on interest rate hedges	8.5	1.8	11.6	2.5
Tax related to interest rate hedges	(1.8)	(0.5)	(2.5)	(0.6)
<b>Other comprehensive income for the period</b>	<b>11.7</b>	<b>(4.7)</b>	<b>22.1</b>	<b>(2.9)</b>
<b>Total comprehensive income for the period</b>	<b>70.2</b>	<b>48.3</b>	<b>126.8</b>	<b>91.5</b>
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	70.2	48.3	126.8	91.5

# Cash flow statement

EUR million	Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21
Operating profit from continuing operations	83.1	65.9	148.9	120.9
Non-cash adjustments	27.9	23.3	53.3	50.8
Change in working capital	(41.9)	(19.1)	(45.9)	(50.4)
Interest paid, net	(3.4)	(6.7)	(6.9)	(11.7)
Taxes paid	(8.1)	(5.2)	(19.3)	(12.6)
Cash flow from operating activities - continuing operations	57.6	58.2	130.1	97.0
Cash flow from operating activities - discontinued operations	-	(2.1)	-	(9.8)
<b>Cash flow from operating activities</b>	<b>57.6</b>	<b>56.1</b>	<b>130.1</b>	<b>87.2</b>
Investments in intangible assets	(5.4)	(4.4)	(8.8)	(8.8)
Investments in property, plant and equipment	(22.2)	(16.2)	(36.3)	(66.3)
Sale and lease back proceeds	-	-	-	2.4
Cash flow from operational investing activities - continuing operations	(27.6)	(20.6)	(45.1)	(72.7)
Cash flow from operational investing activities - discontinued operations	-	(2.5)	-	(4.5)
Cash flow from operational investing activities	(27.6)	(23.1)	(45.1)	(77.2)
Acquisition of entities, net of cash acquired	-	-	-	(319.0)
Investments in joint ventures	-	-	-	(5.1)
Loan to joint ventures	-	(5.1)	(2.3)	(5.1)
Cash flow from investing activities - continuing operations	(27.6)	(25.7)	(47.4)	(401.9)
Cash flow from investing activities - discontinued operations	-	(2.5)	-	(4.5)
<b>Cash flow from investing activities</b>	<b>(27.6)</b>	<b>(28.2)</b>	<b>(47.4)</b>	<b>(406.4)</b>
<b>Free cash flow</b>	<b>30.0</b>	<b>27.9</b>	<b>82.7</b>	<b>(319.2)</b>
Borrowings	15.0	177.3	100.0	560.3
Repayment of borrowings	(48.1)	(208.4)	(71.3)	(269.2)
Purchase of treasury shares	-	-	-	(6.5)
Dividends paid, net	-	-	(115.9)	-
Cash flow from financing activities - continuing operations	(33.1)	(31.1)	(87.2)	284.6
Cash flow from financing activities - discontinued operations	-	4.5	-	14.3
<b>Cash flow from financing activities</b>	<b>(33.1)</b>	<b>(26.6)</b>	<b>(87.2)</b>	<b>298.9</b>
<b>Net cash flow for the period</b>	<b>(3.1)</b>	<b>1.3</b>	<b>(4.5)</b>	<b>(20.3)</b>
Cash and cash equivalents, beginning of period	55.8	74.5	55.1	96.2
Unrealized exchange gains/(losses) included in cash and cash equivalents	(0.7)	-	1.4	(0.1)
Net cash flow for the period	(3.1)	1.3	(4.5)	(20.3)
<b>Cash and cash equivalents, end of period</b>	<b>52.0</b>	<b>75.8</b>	<b>52.0</b>	<b>75.8</b>

# Balance sheet

EUR million	Feb 28, 2022	Feb 28, 2021	Aug 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	1,494.4	1,487.8	1,489.8
Other intangible assets	368.0	395.1	379.5
Property, plant and equipment	800.1	715.2	782.1
Investments in joint ventures	6.5	10.8	9.7
Receivables from joint ventures	15.9	10.1	12.9
Deferred tax	11.7	13.9	10.9
<b>Total non-current assets</b>	<b>2,696.6</b>	<b>2,632.9</b>	<b>2,684.9</b>
<b>Current assets</b>			
Inventories	151.5	136.5	133.9
Trade receivables	180.0	151.2	188.3
Tax receivables	8.4	3.9	9.1
Other receivables	41.1	19.7	29.8
Prepayments	13.3	11.6	13.1
Cash and cash equivalents	52.0	75.8	55.1
<b>Total current assets</b>	<b>446.3</b>	<b>398.7</b>	<b>429.3</b>
Assets classified as held for sale	-	204.4	-
<b>Total assets</b>	<b>3,142.9</b>	<b>3,236.0</b>	<b>3,114.2</b>

# Balance sheet

(continued)

EUR million	Feb 28, 2022	Feb 28, 2021	Aug 31, 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	177.2	177.1	177.3
Reserves	1,464.7	802.9	1,448.8
<b>Total equity</b>	<b>1,641.9</b>	<b>980.0</b>	<b>1,626.1</b>
<b>Non-current liabilities</b>			
Employee benefit obligations	7.5	6.8	7.2
Deferred tax	172.7	161.1	169.6
Provisions	5.0	3.2	4.3
Borrowings	834.3	984.6	790.5
Tax payables	12.0	12.0	12.0
Deferred gain sale and lease back	45.6	42.6	46.6
Other payables	1.2	5.9	6.1
<b>Total non-current liabilities</b>	<b>1,078.3</b>	<b>1,216.2</b>	<b>1,036.3</b>
<b>Current liabilities</b>			
Borrowings	156.6	755.8	162.8
Trade payables	107.4	68.0	132.1
Tax payables	61.4	37.0	49.8
Deferred gain sale and lease back	1.8	1.8	1.8
Other payables	95.5	98.5	105.3
<b>Total current liabilities</b>	<b>422.7</b>	<b>961.1</b>	<b>451.8</b>
<b>Total liabilities</b>	<b>1,501.0</b>	<b>2,177.3</b>	<b>1,488.1</b>
Liabilities relating to assets classified as held for sale	-	78.7	-
<b>Total equity and liabilities</b>	<b>3,142.9</b>	<b>3,236.0</b>	<b>3,114.2</b>



# Statement of changes in equity

EUR million	Share capital	Currency translation	Interest rate hedge	Retained earnings	Total
<b>2021/22</b>					
Equity at September 1	177.3	(73.7)	(4.9)	1,527.4	1,626.1
Total comprehensive income for the period, see statement of comprehensive income	(0.1)	13.2	9.1	104.6	126.8
<b>Transactions with owners</b>					
Share-based payment	-	-	-	4.9	4.9
Dividend, net	-	-	-	(115.9)	(115.9)
<b>Equity at February 28</b>	<b>177.2</b>	<b>(60.5)</b>	<b>4.2</b>	<b>1,521.0</b>	<b>1,641.9</b>

EUR million	Share capital	Currency translation	Interest rate hedge	Retained earnings	Total
<b>2020/21</b>					
Equity at September 1	177.1	(76.6)	(7.4)	799.9	893.0
Total comprehensive income for the period, see statement of comprehensive income	-	(4.8)	1.9	94.4	91.5
<b>Transactions with owners</b>					
Purchase of treasury shares	-	-	-	(6.5)	(6.5)
Share-based payment	-	-	-	2.0	2.0
<b>Equity at February 28</b>	<b>177.1</b>	<b>(81.4)</b>	<b>(5.5)</b>	<b>889.8</b>	<b>980.0</b>

## **Note 1 Accounting policies**

### **Accounting policies**

This unaudited interim report has been prepared in accordance with IAS 34 and additional Danish regulations for the presentation of quarterly interim reports by listed companies. The interim report has been prepared in accordance with the accounting policies set out in the Annual Report for 2020/21, except for all new, amended or revised accounting standards and interpretations (IFRSs) adopted by the European Union effective for financial years beginning on or after January 1, 2021. These have not had material impact on the consolidated interim report.

### **Significant accounting estimates and judgements**

In preparing this interim report Management has made various accounting estimates and assumptions that may significantly influence the amounts recognized in the consolidated financial statement and related information at the reporting date. The accounting estimates and assumptions which Management considers to be material for the preparation and understanding of the interim report are stated in Note 1.2 in the Annual Report 2020/21 and relate to, e.g. income taxes and deferred tax, goodwill, other intangible assets, leases, inventories, acquisition of entities as well as discontinued operations.

## Note 2 Segment information

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Group
<b>Q2 2021/22</b>				
<b>Income statement</b>				
Revenue	182.0	121.6	-	303.6
EUR growth	8%	33%	-	17%
Organic growth	7%	26%	-	14%
EBITDA before special items	63.9	46.7	-	110.6
EBITDA margin before special items	35.1%	38.4%	-	36.4%
Amortization, depreciation and impairment losses	(12.9)	(13.6)	-	(26.5)
EBIT before special items	51.0	33.1	-	84.1
EBIT margin before special items	28.0%	27.3%	-	27.7%
Share of loss of joint ventures	-	(2.0)	-	(2.0)
Special items and net financial expenses	-	-	(6.1)	(6.1)
<b>Profit before tax</b>	<b>51.0</b>	<b>31.1</b>	<b>(6.1)</b>	<b>76.0</b>

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Group
<b>YTD 2021/22</b>				
<b>Income statement</b>				
Revenue	359.7	212.1	-	571.8
EUR growth	8%	25%	-	14%
Organic growth	7%	20%	-	12%
EBITDA before special items	131.0	69.6	-	200.6
EBITDA margin before special items	36.4%	32.8%	-	35.1%
Amortization, depreciation and impairment losses	(25.3)	(25.7)	-	(51.0)
EBIT before special items	105.7	43.9	-	149.6
EBIT margin before special items	29.4%	20.7%	-	26.2%
Share of loss of joint ventures	-	(3.2)	-	(3.2)
Special items and net financial expenses	-	-	(10.4)	(10.4)
<b>Profit before tax</b>	<b>105.7</b>	<b>40.7</b>	<b>(10.4)</b>	<b>136.0</b>

# Segment information

(continued)

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Continuing operations	Dis- continued operations	Group
<b>Q2 2020/21</b>						
<b>Income statement</b>						
Revenue	168.7	91.3	-	260.0	55.3	315.3
EUR growth	(2%)	36%	-	9%	0%	7%
Organic growth	8%	14%	-	10%	8%	9%
EBITDA before special items	64.6	28.5	-	93.1	9.0	102.1
EBITDA margin before special items	38.3%	31.2%	-	35.8%	16.2%	32.4%
Amortization, depreciation and impairment losses	(12.4)	(10.6)	-	(23.0)	-	(23.0)
EBIT before special items	52.2	17.9	-	70.1	9.0	79.1
EBIT margin before special items	31.0%	19.6%	-	27.0%	16.2%	25.1%
Share of loss of joint ventures	-	(1.6)	-	(1.6)	-	(1.6)
Special items and net financial expenses	-	-	(8.6)	(8.6)	(0.1)	(8.7)
<b>Profit before tax</b>	<b>52.2</b>	<b>16.3</b>	<b>(8.6)</b>	<b>59.9</b>	<b>8.9</b>	<b>68.8</b>

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Continuing operations	Dis- continued operations	Group
<b>YTD 2020/21</b>						
<b>Income statement</b>						
Revenue	334.0	169.5	-	503.5	108.2	611.7
EUR growth	(1%)	40%	-	10%	1%	8%
Organic growth	8%	14%	-	10%	8%	9%
EBITDA before special items	129.8	51.1	-	180.9	17.8	198.7
EBITDA margin before special items	38.9%	30.1%	-	35.9%	16.4%	32.5%
Amortization, depreciation and impairment losses	(26.8)	(22.6)	-	(49.4)	-	(49.4)
EBIT before special items	103.0	28.5	-	131.5	17.8	149.3
EBIT margin before special items	30.8%	16.8%	-	26.1%	16.4%	24.4%
Share of loss of joint ventures	-	(3.1)	-	(3.1)	-	(3.1)
Special items and net financial expenses	-	-	(21.6)	(21.6)	(2.0)	(23.6)
<b>Profit before tax</b>	<b>103.0</b>	<b>25.4</b>	<b>(21.6)</b>	<b>106.8</b>	<b>15.8</b>	<b>122.6</b>

# Segment information

(continued)

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Group
<b>Feb 28, 2022</b>				
<b>Assets</b>				
Goodwill	527.6	966.8	-	1,494.4
Other intangible assets	92.9	275.1	-	368.0
Property, plant and equipment	481.0	319.1	-	800.1
Other non-current assets	-	-	34.1	34.1
<b>Total non-current assets</b>	<b>1,101.5</b>	<b>1,561.0</b>	<b>34.1</b>	<b>2,696.6</b>
Inventories	94.7	56.8	-	151.5
Trade receivables	103.2	76.8	-	180.0
Other assets	-	-	114.8	114.8
<b>Total current assets</b>	<b>197.9</b>	<b>133.6</b>	<b>114.8</b>	<b>446.3</b>
<b>Total assets</b>	<b>1,299.4</b>	<b>1,694.6</b>	<b>148.9</b>	<b>3,142.9</b>
<b>Liabilities</b>				
Trade payables	66.6	40.8	-	107.4
Deferred gain sale and lease back	33.0	14.4	-	47.4
Other liabilities	-	-	1,346.2	1,346.2
<b>Total liabilities</b>	<b>99.6</b>	<b>55.2</b>	<b>1,346.2</b>	<b>1,501.0</b>
<b>Net working capital</b>	<b>131.3</b>	<b>92.8</b>	<b>-</b>	<b>224.1</b>
<b>Invested capital excluding goodwill</b>	<b>672.2</b>	<b>672.6</b>	<b>-</b>	<b>1,344.8</b>
<b>ROIC excluding goodwill</b>	<b>31.9%</b>	<b>13.3%</b>	<b>-</b>	<b>22.6%</b>
Additions to non-current assets excluding joint ventures and deferred tax	25.5	19.6	-	45.1

# Segment information

(continued)

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Continuing operations	Dis- continued operations	Group
<b>Feb 28, 2021</b>						
<b>Assets</b>						
Goodwill	520.4	967.4	-	1,487.8	-	1,487.8
Other intangible assets	117.2	277.9	-	395.1	18.7	413.8
Property, plant and equipment	441.2	274.0	-	715.2	83.8	799.0
Other non-current assets	-	-	34.8	34.8	-	34.8
<b>Total non-current assets</b>	<b>1,078.8</b>	<b>1,519.3</b>	<b>34.8</b>	<b>2,632.9</b>	<b>102.5</b>	<b>2,735.4</b>
Inventories	84.2	52.3	-	136.5	58.8	195.3
Trade receivables	94.7	56.5	-	151.2	35.8	187.0
Other assets	-	-	111.0	111.0	7.3	118.3
<b>Total current assets</b>	<b>178.9</b>	<b>108.8</b>	<b>111.0</b>	<b>398.7</b>	<b>101.9</b>	<b>500.6</b>
<b>Total assets</b>	<b>1,257.7</b>	<b>1,628.1</b>	<b>145.8</b>	<b>3,031.6</b>	<b>204.4</b>	<b>3,236.0</b>
<b>Liabilities</b>						
Trade payables	49.2	18.8	-	68.0	32.2	100.2
Deferred gain sale and lease back	33.8	10.6	-	44.4	4.9	49.3
Other liabilities	-	-	2,064.9	2,064.9	41.6	2,106.5
<b>Total liabilities</b>	<b>83.0</b>	<b>29.4</b>	<b>2,064.9</b>	<b>2,177.3</b>	<b>78.7</b>	<b>2,256.0</b>
<b>Net working capital</b>	<b>129.7</b>	<b>90.0</b>	<b>-</b>	<b>219.7</b>	<b>62.4</b>	<b>282.1</b>
<b>Invested capital excluding goodwill</b>	<b>654.3</b>	<b>631.3</b>	<b>-</b>	<b>1,285.6</b>	<b>160.0</b>	<b>1,445.6</b>
<b>ROIC excluding goodwill</b>	<b>32.9%</b>	<b>10.1%</b>	<b>-</b>	<b>22.1%</b>	<b>23.6%</b>	<b>22.3%</b>
Additions to non-current assets excluding joint ventures and deferred tax	29.2	45.9	-	75.1	4.5	79.6

# Segment information

(continued)

<b>EUR million</b>	<b>EMEA</b>	<b>North America</b>	<b>APAC</b>	<b>LATAM</b>	<b>Group</b>
<b>Q2 2021/22</b>					
Revenue	108.2	99.0	59.7	36.7	303.6
EUR growth	11%	20%	21%	18%	17%
Organic growth	13%	12%	16%	17%	14%

<b>EUR million</b>	<b>EMEA</b>	<b>North America</b>	<b>APAC</b>	<b>LATAM</b>	<b>Group</b>
<b>YTD 2021/22</b>					
Revenue	207.3	189.1	106.0	69.4	571.8
EUR growth	9%	19%	15%	9%	14%
Organic growth	11%	12%	10%	13%	12%
Non-current assets excluding joint ventures and deferred tax	2,318.5	301.4	19.7	22.9	2,662.5

<b>EUR million</b>	<b>EMEA</b>	<b>North America</b>	<b>APAC</b>	<b>LATAM</b>	<b>Group</b>
<b>Q2 2020/21</b>					
Revenue	97.2	82.2	49.4	31.2	260.0
EUR growth	0%	14%	25%	0%	9%
Organic growth	4%	7%	10%	32%	10%

<b>EUR million</b>	<b>EMEA</b>	<b>North America</b>	<b>APAC</b>	<b>LATAM</b>	<b>Group</b>
<b>YTD 2020/21</b>					
Revenue	189.4	158.6	92.1	63.4	503.5
EUR growth	2%	15%	19%	6%	10%
Organic growth	6%	8%	3%	36%	10%
Non-current assets excluding joint ventures and deferred tax	2,296.7	264.0	17.1	20.3	2,598.1

## Note 3 R&D expenditures

<b>EUR million</b>	<b>Q2 2021/22</b>	<b>Q2 2020/21</b>	<b>YTD 2021/22</b>	<b>YTD 2020/21</b>
R&D expenses (P&L)	24.7	21.4	48.2	42.2
- Amortization	3.1	1.9	5.9	3.8
- Impairment	0.3	-	0.3	-
+ Capitalization	3.6	2.7	5.6	4.7
<b>R&amp;D expenditures incurred</b>	<b>24.9</b>	<b>22.2</b>	<b>47.6</b>	<b>43.1</b>



## Note 4 EBIT b.s.i. to EBITDA b.s.i.

<b>EUR million</b>	<b>Q2 2021/22</b>	<b>Q2 2020/21</b>	<b>YTD 2021/22</b>	<b>YTD 2020/21</b>
EBIT b.s.i.	84.1	70.1	149.6	131.5
Amortization and impairment	11.7	11.7	22.8	22.4
<b>EBITA b.s.i.</b>	<b>95.8</b>	<b>81.8</b>	<b>172.4</b>	<b>153.9</b>
Depreciation and impairment	14.8	11.3	28.2	27.0
<b>EBITDA b.s.i.</b>	<b>110.6</b>	<b>93.1</b>	<b>200.6</b>	<b>180.9</b>