FrieslandCampina nourishing by nature

150 years

Half-year Report 2022

Royal FrieslandCampina N.V.

Content

Key Figures 3

Report by the Executive Board 4

5 Developments and results first half-year 2022

Business Groups – Results 12

13 FrieslandCampina Food & Beverage
14 FrieslandCampina Specialised Nutrition
15 FrieslandCampina Ingredients
16 FrieslandCampina Trading

Half-year Figures 17

18 Condensed consolidated income statement
19 Condensed consolidated statement of comprehensive income
20 Condensed consolidated statement of financial position
21 Condensed Consolidated statement of cash flows
22 Condensed consolidated statement of changes in equity
23 Notes to the condensed consolidated half-year result

Key Figures

In millions of euros, unless stated otherwise

	first half-year 2022	first half-year 2021	Δ %	2021 year
Results				
Revenue	6,597	5,527	19.4	11,501
Revenue before currency translation effects	6,465	5,527	17.0	
Operating profit	328	130	152.3	355
Operating profit before currency translation effects	317	130	143.8	
Net profit	139	62	124.2	172
Profit before currency translation effects	131	62	111.3	
Operating profit as a percentage of revenue	5.0	2.4		3.1
Value creation for member dairy farmers				
Guaranteed price[1]	49.39[2]	36.00	37.2	37.84
Pro forma supplementary cash payment[3]	0.69	0.00		0.14
Meadow milk premium and Foqus planet premium[4]	0.91	0.91		0.91
Special supplements[5]	0.34	0.34		0.34
Pro forma milk price[3]	51.33	37.25	37.8	39.23
Interest on member bonds	0.27	0.43		0.44
Pro forma retained earnings[3]	1.03	-0.04		0.21
Pro forma performance price[3]	52.63	37.64	39.8	39.88

1 In euros per 100 kilos of milk, excluding VAT, at 3.57% protein, 4.42% fat and 4.53% lactose.
2 Concerns the balance of the guaranteed price of 49.00 euros and a settlement of 0.39 euro per 100 kilos of milk for a much too low estimate over the first half-year 2022.
3 These elements are based on the full-year profit figures.
4 Dairy farmers applying pasture grazing receive a 1.50 euro meadow milk premium per 100 kilos of milk for 2022. Of this an amount of 1.00 euro per 100 kilos of meadow milk is paid from the company's operating profit. On average, on all FrieslandCampina member milk, this amounts to 0.66 euro per 100 kilos of milk. Furthermore, another 0.50 euro per 100 kilos of meadow milk is paid out pursuant to cooperative schemes. To finance this amount, 0.35 euro per 100 kilos of milk is withheld from all milk. This also pays for the partial pasture grazing premium. On average, on all FrieslandCampina member milk, the Foqus planet contribution amounted to 0.25 euro per 100 kilos of milk.
5 Special supplements concern the total amount of payments per 100 kilos of milk of Landliebe milk, VLOG [non-GMO] and the On the way to PlanetProof of 1.00 euro per 100 kilos of milk, and the difference between the guaranteed price paid for organic milk (55.37 euros) and the guaranteed price paid (49.39 euros). On average, on all FrieslandCampina member milk, this amounts to 0.34 euro per 100 kilos of milk.

Report by the Executive Board

Developments and results first half-year 2022

Profit margins in retail channel under pressure due to cost increases

- Revenue rose from 5.5 billion to 6.6 billion euros. Adjusted for currency translation effects, revenue rose from 5.5 to 6.5 billion euros, primarily due to price increases, higher commodity dairy prices and the recovery of European out-of-home markets.
- Volume in the retail channel was under pressure. Volumes of the Professional business and the Ingredients business group increased.
- Operating profit increased from 130 million to 328 million euros.
- The significant rise in the cost of raw materials necessitated price increases, profit margins in the retail channel to be under pressure. The Trading business group and the Professional business benefitted from high commodity dairy prices. All business groups benefitted from the revaluation of stocks.
- Net profit increased by 77 million euros to 139 million euros due to higher commodity dairy prices and the recovery in infant nutrition activities.
- At -89 million euros, the operating cash flow was at a lower level; the decrease was due to higher working capital, partly compensated by higher results.
- The planned sale of parts of the German consumer business, the closures of a production facility in Rotterdam and two powder towers in Leeuwarden in the Netherlands, and a production facility for pasteurised dairy in Thailand, resulted in one-off operating expenses.
- FrieslandCampina continues building its infant nutrition business under a strong Friso brand after strategic evaluation.
- Significant progress on sustainability. Climate plan published with SBTi validated targets, in line with the Paris Climate Agreement (limit global warming to no more than 1.5 degrees Celsius).

Revenue and profit improve in first half of 2022

- The pro forma milk price for member dairy farmers increased by 37.8 percent to 51.33 euros per 100 kilos of milk. The pro forma performance price increased by 39.8 percent to 52.63 euros per 100 kilos of milk.
- Market developments in the second half of 2022 will be uncertain due to the war in Ukraine, the corona pandemic, rising costs and possible impact of the Dutch Cabinet's nitrogen proposals on members and the company.
- In relation to the uncertain outlook for the second half of the year, there will be no interim pro forma supplementary cash payment to member dairy farmers.

"We are looking back on a dynamic first half of 2022. My first thoughts here are the Cabinet's nitrogen proposals and the farmers' responses, the war in Ukraine and its effects on the global economy, as well as the extreme inflation we are confronted with. A lot has also happened at the company since the beginning of this year. Within the cooperative, the implementation of the new member financing system was started in 2022 and in June the Members' Council approved an amendment to the member acceptance policy. Both steps were important for the continuity of the company. The first contributes to the quality of the company's equity and the second is important in view of the future milk supply.

To be able to respond effectively to opportunities in the market so that we can continue to add value to the milk supplied by our member dairy farmers in the future, FrieslandCampina is constantly working on improving its production network and strengthening its brand portfolio. That is why we invest in new production facilities in Indonesia and Malaysia, new recyclable PET packaging lines in Belgium's Aalter and expand our lactoferrin production in Veghel. After strategic evaluation, we decided to continue to build the infant nutrition business under a strong Friso brand. We announced to divest part of our German consumer business and to continue to focus on a number of our successful international consumer brands in Germany, including Chocomel, Valess and Frico. In the Netherlands we also decided to close a production location in Rotterdam and two powder towers in Leeuwarden. In Thailand we will focus on production and sales of long-life dairy products and closed our production site for pasteurised products. Finally, we recently signed an agreement for the sale of our production location for local infant nutrition in Xiushui, China.

We also made significant progress in the area of sustainability. In April, we published our Climate Plan with clear targets. The renowned Science Based Targets initiative (SBTi) has confirmed that the climate targets for our global production and transport activities are in line with the 1.5-degree scenario of the Paris Agreement. To implement our Climate Plan and significantly reduce greenhouse gas emissions, we have announced various initiatives, including a large-scale pilot with a livestock feed additive that reduces the methane emission of cows.

The figures show that there was good revenue and profit growth in the first half of the year. Revenue and profit from infant nutrition in China experienced significant growth, in part due to the strong growth of Friso Prestige. However, costs also rapidly increased across the board, making price increases inevitable. Our Professional and Trading businesses benefitted from high fat, protein, and commodity dairy prices. Profit margins, particularly in the retail channel, were under pressure, because it was not possible to fully pass on cost increases. The historically high milk price in the first half of the year of course is favourable for our member dairy farmers since they too are confronted with significantly increased costs in their farming operations.

The end of all uncertainties is not yet in sight. We are still faced with inflation-related challenges and the associated price increases, mounting raw material shortages, declining consumer confidence and the corona pandemic, which has yet to completely pass. We are also still confronted with major uncertainty concerning the impact of the Dutch Cabinet's announced nitrogen proposals on our members and our company. For this reason, we are exercising extra caution in terms of our outlook for the rest of the year, and we have decided to forego the interim pro forma supplementary cash payment to our member dairy farmers.

I would like to conclude by thanking our members and employees for all their hard work over the past months. The resilience they display in this respect every day gives me every confidence that FrieslandCampina will also be able to successfully cope with present and future challenges."

Hein Schumacher,
CEO Royal FrieslandCampina N.V.

Increased revenue

Driven by price increases, higher commodity dairy prices and the recovery of out-of-home markets in Europe, the reported revenue in the first half of 2022 increased by 19.4 percent to 6.6 billion euros (first half of 2021: 5.5 billion euros). Revenue, before currency translation effects, increased by 17.0 percent. Currency translation effects had a positive effect of 2.4 percent on revenue.

Revenue of the Food & Beverage business group in the first half of 2022 increased by 19.7 percent to 4.5 billion euros (first half of 2021: 3.8 billion euros). The volume of retail brands decreased slightly in comparison to the first half of 2021. Professional benefitted from higher commodity dairy prices, particularly for butter, and the growth of out-of-home activities in Europe. Before currency translation effects, revenue of the Food & Beverage business group grew by 17.6 percent.

Revenue of the Specialised Nutrition business group increased by 18.6 percent to 612 million euros compared to the same period of the previous year (first half of 2021: 516 million euros). Although Friso's market share remained stable, revenue and profit in China rose significantly, in part due to the strong growth of Friso Prestige. The revenue and market share of the growing ultra-premium segment improved due to the further expansion of distribution to smaller cities in China.

Revenue of the Ingredients business group increased by 31.8 percent to 775 million euros, primarily due to price increases, particularly in the infant nutrition, elderly nutrition and pharmaceutical market segments (first half of 2021: 588 million euros).

For the Trading business group, the strong increase in commodity dairy prices in the first half of 2022 resulted in noticeably higher price levels and an increase in revenue of 21.7 percent to 663 million euros (first half of 2021: 545 million euros).

Increased operating profit and net profit

FrieslandCampina's operating profit in the first half of 2022 substantially increased to 328 million euros (first half of 2021: 130 million euros) and profit increased to 139 million euros (first half of 2021: 62 million euros).

The result of the Food & Beverage business group rose because of the recovery of the European out-of-home markets and high butter market prices within Professional. Despite price increases, margins in the retail channel were under pressure. The Trading business group benefitted from high commodity dairy prices. The Specialised Nutrition business group benefitted from, among other things, an improved product mix. The recovery of the infant nutrition segment and a positive contribution by adult nutrition and pharmaceuticals, contributed to the improved result of the Ingredients business group.

Operating cash flow

The cash flow from operating activities in the first half of 2022 amounted to -89 million euros (first half of 2021: 46 million euros). The decrease was due to higher working capital as a result of higher milk and sales prices, partly compensated by the higher results.

Slight drop in milk supply

The milk supplied by member dairy farmers in the first half of 2022 decreased by 4.6 percent to 4.8 billion kilos in comparison to the first half of 2021 (5.0 billion kilos) due to a decline in the number of members, lower quality of grass silage and higher feed costs.

Milk price rose by 37.8 percent

The milk price for member dairy farmers over the first half of 2022 increased by 37.8 percent to 51.33 euros per 100 kilos of milk exclusive of VAT in comparison to the first half of 2021 (37.25 euros). This increase was in part due to an increase in commodity dairy prices resulting from increased market demand. The organic milk price was 57.31 euros per 100 kilos of milk exclusive of VAT (first half of 2021: 49.16 euros).

The dairy market

For the first time in a long time, milk production in the seven most important export regions dropped in the first half of 2022. Various developments are at the root of this drop.

To begin with, there is increasing uncertainty in Europe as a result of the continuing debate about nitrogen and greenhouse gas reductions in the agricultural sector and about environmental measures. Due to the relatively cold weather and high feed prices in the first months of 2022, European milk production lagged in comparison to the same period last year (0.6 percent in the first four months). The drop in production primarily occurred in Northwest Europe (in countries such as the Netherlands, Germany, the United Kingdom, France and Ireland). Furthermore, the Russian invasion of Ukraine resulted in further price increases at dairy farms due to rising prices for feed concentrates, energy and fertilisers, which caused margins to be under pressure.

Rising feed prices also caused milk production in the United States to drop even further. Milk production dropped by approximately 0.9 percent during the first five months. Milk supply in the southern hemisphere dropped by approximately 3.5 percent as a result of drought and higher production costs.

Finally, China once again played a crucial role on the global dairy market. The country aims to become more self-sufficient and is devoting efforts to expanding its livestock herd. As a result, local milk production continued to grow. Due to the corona lockdowns in various Chinese cities, the local demand for dairy products barely increased and dairy stocks further increased. As a result of the above-referenced developments, Chinese imports declined by approximately 16 percent in the first five months of 2022 in comparison to the same period in 2021.

Butter prices continued to increase
Due to the lagging milk supply in the European Union, butter production dropped by 4 percent in comparison to last year. Many buyers had waited too long to purchase butter and were ultimately forced to cover their needs. As a result, the butter quotation increased from 6,070 euros per tonne in January to 7,190 euros in June – an increase of 18 percent.

Milk powder prices stayed high
Due to the lagging milk supply in the European Union and high global demand, milk powder stocks remained low, and prices rose from 3,450 euros per tonne in January to 3,960 euros in June – an increase of almost 15 percent.

Prices of other dairy products also continued to rise
Due to high demand and the wait-and-see approach adopted by buyers, the Dutch price for basic cheese tracked butter and skimmed milk powder prices and rose from 4,355 euros per tonne in January to 5,115 euros in June. An increase of 18 percent. Naturally matured Dutch Gouda cheese rose from 4,200 euros per tonne in January to 5,100 euros in June.

In contrast to last year, Chinese demand for the import of whey powder dropped significantly by approximately 40 percent in the first four months of 2022. However, there was a strong increase in processing whey into whey protein concentrates in Europe. As a result, whey powder prices rose from 1,220 euros in January to 1,465 euros per tonne in April, after which the price once again dropped to 1,040 euros per tonne in June.

Interim payment

In view of the major uncertainty concerning market developments in the second half of the year, it was decided not to issue an interim pro forma supplementary cash payment to our member dairy farmers. The payment of the supplementary cash payment will therefore be based on the final 2022 results.

Company developments in the first half of 2022

In mid-March, FrieslandCampina announced that in the Netherlands it would be merging the fresh dairy production and logistics in Rotterdam with those of Maasdam and to close two powder towers in Leeuwarden. Both initiatives are consistent with the planned transition to a product portfolio with a greater focus on added-value dairy products. In addition, FrieslandCampina in June announced that it plans to sell part of its German consumer business to Unternehmensgruppe Theo Müller. The transaction includes various brands such as Landliebe and Tuffi, as well as three production sites. FrieslandCampina remains active in Germany with some of its international brands, including Chocomel, Valess and the cheese brands Frico and Holland Master, as well as with the Professional business and a few private labels produced abroad. In Thailand, FrieslandCampina will focus on production and sales of long-life dairy products and closed its production site for pasteurised products.

The strategic evaluation of infant nutrition activities under the Friso brand was completed. It was concluded that Friso infant nutrition is of added value to the business portfolio. The Specialised Nutrition business group will fully focus on infant nutrition business under the Friso brand. The geographical focus will be on selected key markets: China, Greece, Malaysia, Mexico and Vietnam. In addition, an agreement was signed recently with Chinese dairy company, Yili, for the sale of our production site for local infant nutrition in Xiushui, China.

Product range expanded to include plant-based versions

FrieslandCampina increasingly profiles itself as a food company with dairy as its strong core. Plant-based products increasingly more often also form part of the product range. Aside from the introduction of Plantaris – plant-based protein powders for sports nutrition – FrieslandCampina now has included a plant-based oats beverage under the Friesche Vlag brand in its product range.

Presentation of Climate Plan

We made important progress in the area of sustainability. As part of the integrated *Nourishing a better planet* sustainability programme, FrieslandCampina in mid-April published its Climate Plan 'On the way to climate-neutral dairy'. FrieslandCampina aims to produce net climate-neutral dairy by no later than 2050. FrieslandCampina expects to invest 1.5 billion euros until 2030 in order to meet its climate targets. The plan contains specific targets and actions to help limit the planet's warming to 1.5 degrees Celsius, as agreed in the Paris Agreement. The renowned Science Based Targets initiative (SBTi) has reviewed FrieslandCampina's climate targets for 2030 and has confirmed that these global production and transport targets are in line with this aim.

The goal for 2030 is to realise a reduction in greenhouse gas emissions in comparison to 2015 of 63 percent in the company's own business operations (global production and transport), 33 percent in the production of milk at member dairy farms and 43 percent in cooperation with suppliers in the supply chain of raw materials and the delivery of products, such as packaging, and the procurement of commodity dairy and sugar.

To fulfil our sustainability ambitions, several decisions were taken in the first half of the year. For example, a project was initiated to further reduce water consumption at our production sites and to make it circular where possible. To contribute to the goal of using recyclable packaging worldwide by 2025, investments were made in a new PET line in Aalter (Belgium).

In March, FrieslandCampina announced a large-scale pilot designed to gain practical experience at farm level with a new livestock feed additive that reduces the methane emission of cows. A pilot project for additional nitrogen reduction on dairy farms has also been announced. In co-operation with Rabobank and Lely, FrieslandCampina aims to install a circular barn system at 96 dairy farms throughout the Netherlands that separates solid manure and urine, thereby converting nitrogen emissions into valuable fertilisers. It is expected that the first barn systems will be installed in the second half of the year.

Large-scale feed research

Since good nutrition in support of the growth and development of children is crucial, FrieslandCampina between 2019 and 2021 commissioned a large-scale study in Southeast Asia of almost 14,000 children between six months and 12 years of age. The study shows that malnutrition, a deficiency of micronutrients and overweight/obesity occur side by side. The study referred to as SEANUTS II was a follow-up to SEANUTS I, where the results of the first study were presented in 2012.

Dairy Development expansion

In the first half of 2022, FrieslandCampina expanded the number of countries in which it works on Dairy Development. In addition to Nigeria, Pakistan, Romania, Malaysia, Vietnam, Indonesia, Thailand and China, Dairy Development activities are also now being pursued in Ivory Coast and the Philippines. In these countries FrieslandCampina helps local dairy farmers improve the quality of their milk, increase the productivity per cow and gain access to markets. To help farmers in Ivory Coast, an Ivory Coast-Dutch Excellence Centre was founded and advisors and students attended the first training sessions.

Risks

The 2021 Annual Report sets out the uncertainties and risks that may have a material adverse impact on both the result and equity of FrieslandCampina. It also sets out how the company controls these risks. This description of uncertainties, risks and mitigating measures forms part of this half-year report by reference.

The first half of 2022 was characterised by new geopolitical tensions, particularly the war in Ukraine, which created new energy and food-related challenges. As a consequence, inflation, which has been a high risk since the corona pandemic, substantially increased. Within FrieslandCampina, the effects of this are primarily evident in terms of the increased costs of supply chains, logistics challenges and shortages of raw materials, and therefore substantially higher prices with an impact on margins. At the same time, scarcity on the labour market is noticeably increasing and we are moving towards a new (hybrid) way of working. Fraud and cyber-criminality are staying high on the risk agenda given that increasingly more companies are being targeted (including suppliers and customers).

Finally, there are significant challenges for the Dutch dairy industry due to new proposed nitrogen laws and regulations. Due to its impact on the milk supply, this legislation can significantly affect the cooperative and our members in particular, as well as the company's business operations. If the current government proposals with respect to a 30 percent reduction in nitrogen were to be implemented, then in the worst-case scenario this would result in a reduction of the milk supply to below eight billion kilos annually. A decreased milk supply would affect the company's growth, the size of the production network and agreements with other parties, while at the same time the cost base would have to be structurally reduced and the company's ability to invest in its network of plants would be significantly reduced. Furthermore, a reduced milk supply would impact member financing using milk certificates and as such, the company's financing. FrieslandCampina is of the opinion that dairy farmers, and consequently the dairy sector, must have positive prospects, and that innovation and technology can contribute to achieving the nitrogen reduction targets in sustainable ways. To keep size and milk supply up to par and to continue to be able to invest, it has been decided that new members can join the dairy cooperative.

Our most important priority in the short term continues to be to manage challenges due to increased inflation; for example, by effectively managing margins and specific risk mitigation measures within the supply chain. Safeguarding FrieslandCampina's result remains the most important objective in this respect in order to pay a milk price that enables dairy farmers to make the investments that are needed. A new scenario-based approach to risk assessments has been developed to create insight into specific risks (for example, for specific countries, markets or products). In addition, extra attention is being devoted to developing and retaining talent and providing for the wellbeing of our employees, while they adjust to a new hybrid (at home and at the office) way of working.

These are turbulent, highly dynamic times. What the long-term effects are on our markets and business operations remain to be seen. Naturally, this depends on geopolitical and economic developments, including the effects of measures introduced by governments, central bank(s) and the degree to which the availability and affordability of food is impacted.

Outlook

As a result of the war in Ukraine, the corona pandemic, and rising costs, including the cost of energy, fuel, transport and raw materials, and general disruptions in international supply chain and trade, the outlook for the second half of the year is uncertain. A turnaround of commodity dairy prices can have significant impact on the result. FrieslandCampina will continue to study how it can further optimise its production network. See the section on risks for a description of all prevailing risks. Because of the many uncertainties, FrieslandCampina is not issuing an outlook for the expected profit for 2022 and is also not making any forecasts concerning the future development of the milk prices.

Executive Board

Hein (H.M.A.) Schumacher
Chief Executive Officer

Hans (J.G.) Janssen
Chief Financial Officer

Geraldine (G.M) Fraser
Chief People Officer

Roel (R.F.) van Neerbos
President FrieslandCampina Food & Beverage

Amersfoort, the Netherlands, 15 July 2022

Business Groups – Results

FrieslandCampina

Food & Beverage

FrieslandCampina Food & Beverage provides consumers throughout the world with dairy products, such as milk, yoghurt, condensed milk, dairy-based beverages, cheese, quark, butter and cream. This business group focuses on the consumer and professional channels.

Results and developments

- Strong revenue trend with 19.7 percent growth – 17.6 percent growth before currency translation effects – driven by significant price increases at slightly reduced volumes.
- Unprecedented increase in cost prices in all categories resulted in pressure on margins in the retail channel.
- Professional continued to benefit from strong rising commodity dairy prices.
- Investments in advertising and promotion to support strategic priorities, such as affordable nutrition and a nutritious breakfast.
- The result was affected by one-off charges relating to the announced sale of part of the German consumer business, including the German brands and three production facilities, closures of the production facility in Rotterdam and two powder towers in Leeuwarden in the Netherlands, and closure of the production facility for pasteurised dairy in Thailand, to further optimise the supply chain's footprint.

Results

In millions of euros, unless stated otherwise

4,547

Third party revenue

First half-year 2021: 3,800
Δ % 19.7

4,470

Revenue before currency translation effects

Compared to first half-year 2021:
Δ % 17.6

146

Operating profit

First half-year 2021: 111
Δ % 31.5

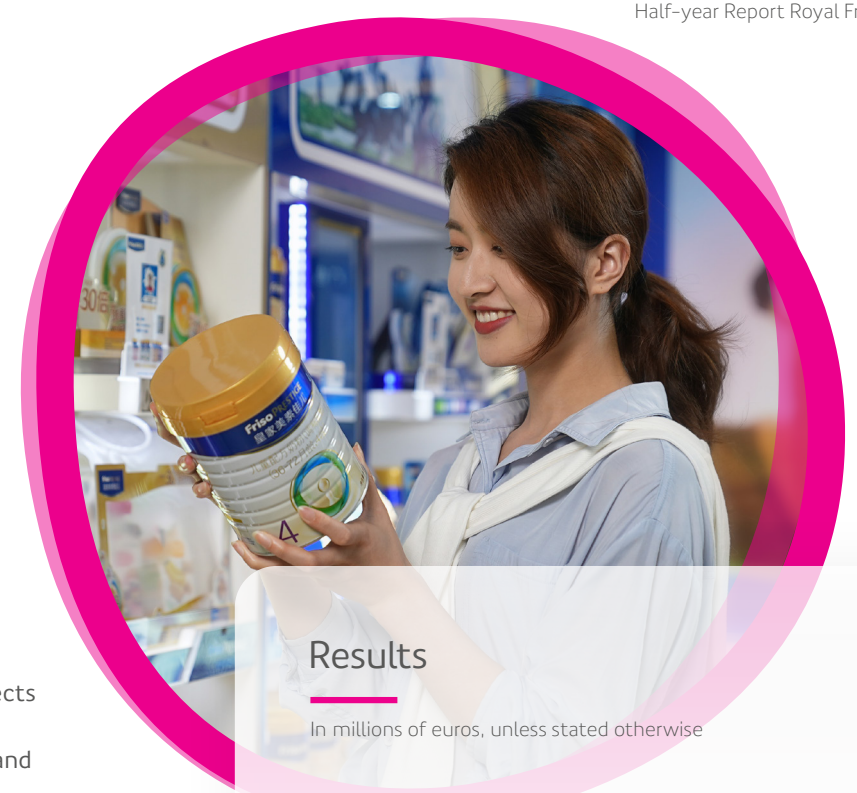
3.2%

Operating profit as a percentage of third-party revenue

FrieslandCampina

Specialised Nutrition

FrieslandCampina Specialised Nutrition produces and sells various types of infant nutrition. This business group operates in various countries in Asia, Europe, Africa and South America.



Results and developments

- The improved product mix and positive currency translation effects resulted in a significant increase in operating profit, despite the persistent closure of the border between Hong Kong and China and significantly increased raw material prices.
- In China, both revenue and profit significantly increased, in part due to the strong growth of Friso Prestige. The revenue and market share of the growing ultra-premium segment improved due to the expansion of distribution capabilities to smaller cities in China, while Friso Gold in the declining premium segment experienced a further decrease.
- The corona lockdowns in China produced challenges for the shipping, import and distribution of products. Furthermore, the disposable income of consumers was under pressure due to inflation. This was particularly evident in Southeast Asia, where the infant nutrition category was under pressure.
- The revenue, result and market share in Hong Kong improved in spite of the persistent border closure, while by contrast these were under pressure in Southeast Asia.
- A number of Friso innovations were launched in China, Southeast Asia and Greece.

Results

In millions of euros, unless stated otherwise

612

Third party revenue

First half-year 2021: 516
Δ % 18.6

570

Revenue before currency translation effects

Compared to first half-year 2021:
Δ % 10.5

107

Operating profit

First half-year 2021: 22
Δ % 386.4

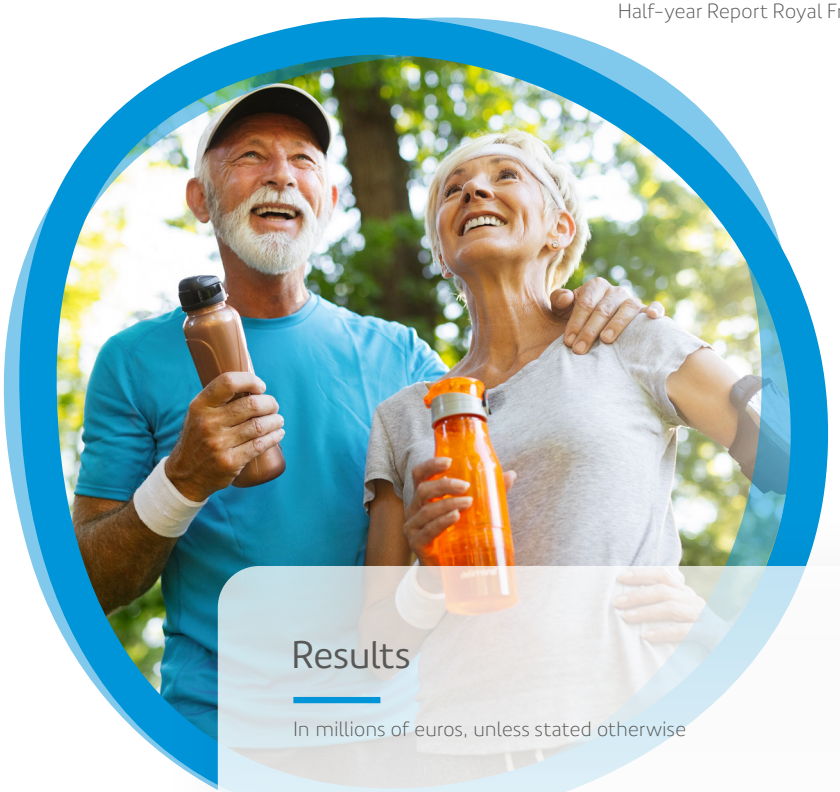
17.5%

Operating profit as a percentage of third-party revenue

FrieslandCampina

Ingredients

FrieslandCampina Ingredients is a partner for brands and producers wishing to differentiate themselves on the basis of healthy nutrition and wellbeing for consumers in all stages of life. This business group focuses on ingredients for infant nutrition and offers specific innovations and applications for adults relating to medical and sports nutrition.



Results and developments

- Inflation, supply and demand dynamics resulted in a significant increase in raw material and energy costs.
- Due to increased selling prices, particularly in the infant nutrition, adult nutrition and pharmaceuticals market segments, revenue of the Ingredients business group rose considerably.
- As a result of the recovery of the infant nutrition segment and a positive contribution by adult nutrition and pharmaceuticals, operating profit improved.
- The Biotis platform and the introduction of Plantaris – plant-based protein powders for sports nutrition – created traction in the market.

Results

In millions of euros, unless stated otherwise

775

Third party revenue

First half-year 2021: 588
Δ % 31.8

764

Revenue before currency translation effects

Compared to first half-year 2021:
Δ % 29.9

88

Operating profit

First half-year 2021: 55
Δ % 60.0

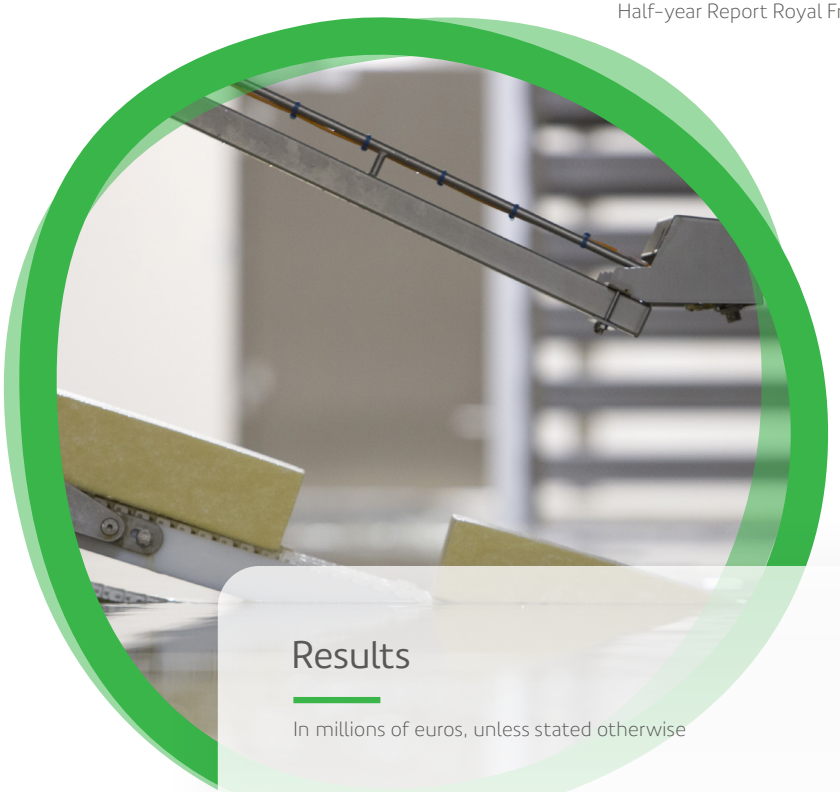
11.4%

Operating profit as a percentage of third-party revenue

FrieslandCampina

Trading

FrieslandCampina Trading is involved in procuring and selling commodity dairy products for internal customers and external business-to-business customers. Its product portfolio comprises cheese, butter, milk powder and liquid products, such as raw milk, cream, skimmed milk and milk concentrate. FrieslandCampina Trading also limits the risk of rising or declining raw material prices for dairy by hedging the company's fat and protein positions.



Results and developments

- Following high levels in 2021, prices in the commodity dairy market continued to be at historically high levels in the first half of 2022.
- The persistently high commodity dairy prices, together with active position management and the rapid response to price trends, resulted in a significantly improved operating profit.
- In accordance to the plan, volumes were significantly below first half-year 2021 levels, whereby there also was a shift from butter and powder to cheese and mozzarella.

Results

In millions of euros, unless stated otherwise

663

Third party revenue

First half-year 2021: 545
Δ % 21.7

71

Operating profit

First half-year 2021: -27
Δ % 363.0

10.7%

Operating profit as a percentage of third-party revenue

Half-year Figures

Condensed consolidated income statement

In millions of euros

	first half-year 2022	first half-year 2021
Revenue	6,597	5,527
Cost of goods sold	-5,447	-4,673
Gross profit	**1,150**	**854**
Advertising and promotion costs	-267	-243
Selling and general administrative costs	-461	-416
Other operating costs and -income	-94	-65
Operating profit	**328**	**130**
Finance income and -costs	-7	-21
Share of profit of joint ventures and associates, net of tax	5	7
Profit before tax	**326**	**116**
Income tax	-187	-54
Profit for the period	**139**	**62**
Profit attributable to:		
- holders of member bonds	13	22
- holders of perpetual bonds	4	4
- provider of Cooperative loan	4	4
- shareholder	82	87
Shareholder and other providers of capital	**103**	**117**
- shareholder as holder of non-controlling interests		-89
Shareholder and other providers of capital (incl. non-controlling interests shareholder)	**103**	**28**
- other holders of non-controlling interests	36	34
	139	**62**

Condensed consolidated statement of comprehensive income

In millions of euros

	first half-year 2022		first half-year 2021	
Profit for the period		**139**		**62**
Items that will or may be reclassified to the income statement (net of tax):				
Effective portion of cash flow hedges	9		7	
Currency translation differences	15		31	
Share in other comprehensive income of joint ventures and associates	2		-1	
		26		**37**
Items that will never be reclassified to the income statement (net of tax):				
Remeasurement of liabilities (assets) under defined benefit plans	17		17	
		17		**17**
Other comprehensive income, net of tax		**43**		**54**
Total comprehensive income for the period		**182**		**116**
Total comprehensive income attributable to:				
- shareholder and other providers of capital	149		163	
- shareholder as holder of non-controlling interests	-5		-87	
Shareholder and other providers of capital (incl. non-controlling interests shareholder)		**144**		**76**
- other holders of non-controlling interests		38		40
		182		**116**

Condensed consolidated statement of financial position

In millions of euros

	30 June 2022	31 December 2021
Assets		
Property, plant and equipment	3,269	3,402
Intangible assets	1,459	1,503
Deferred tax assets	114	187
Joint ventures and associates	114	113
Employee benefits	7	8
Other assets	81	56
Non-current assets	**5,044**	**5,269**
Inventories	1,996	1,493
Trade and other receivables	2,319	1,780
Cash and cash equivalents	361	507
Assets held for sale	95	7
Current assets	**4,771**	**3,787**
Total assets	**9,815**	**9,056**

	30 June 2022	31 December 2021
Equity		
Issued capital	370	370
Retained earnings and other reserves	2,281	1,544
Equity attributable to shareholder	**2,651**	**1,914**
Member bonds	897	1,502
Perpetual bonds	305	301
Cooperative loan	291	295
Equity attributable to other providers of capital	**1,493**	**2,098**
Equity attributable to providers of capital	**4,144**	**4,012**
Non-controlling interests shareholder	-382	-377
Equity directly attributable to providers of capital	**3,762**	**3,635**
Other non-controlling interests	344	326
Total equity	**4,106**	**3,961**
Liabilities		
Employee benefits	211	250
Deferred tax liabilities	88	91
Interest-bearing borrowings	896	1,156
Other liabilities	92	90
Non-current liabilities	**1,287**	**1,587**
Interest-bearing borrowings	775	189
Trade and other payables	3,638	3,319
Liabilities held for sale	9	
Current liabilities	**4,422**	**3,508**
Total liabilities	**5,709**	**5,095**
Total equity and liabilities	**9,815**	**9,056**

Condensed consolidated statement of cash flows

In millions of euros

	first half-year 2022	first half-year 2021
Operating activities		
Profit before tax	326	116
Depreciation of property, plant and equipment and amortisation of intangible assets	230	233
Impairments of property, plant and equipment and intangible assets	91	2
Movement in inventories, receivables and liabilities	-616	-179
Other operating activities	-120	-126
Net cash flows from operating activities	**-89**	**46**
Investing activities		
Investments in property, plant and equipment and intangible assets	-228	-156
Disposals of property, plant and equipment, intangible assets and assets held for sale	12	3
Divestments of businesses, net of cash and cash equivalents		30
Loans issued	-111	-97
Acquisitions, net of acquired cash and cash equivalents		-1
Net cash flows used in investing activities	**-327**	**-221**
Financing activities		
Dividend paid	-34	-27
Interest paid to holders of member bonds and subordinated bonds	-20	-41
Conversion of member bonds and capital contributions	23	
Interest-bearing borrowings drawn	932	1,335
Repayment of interest-bearing borrowings	-741	-1,031
Repayment of lease liabilities	-34	-31
Settlement of derivatives and other	-1	
Net cash flows used in financing activities	**125**	**205**
Net cash flow	**-291**	**30**
Cash and cash equivalents at 1 January[1]	505	339
Net cash flow	-291	30
Currency translation differences on cash and cash equivalents	21	9
Cash and cash equivalents at 30 June[1]	**235**	**378**

1 Cash and cash equivalents also includes overdrafts that are repayable on demand and form an integral part of the cash management of FrieslandCampina.

Condensed consolidated statement of changes in equity

In millions of euros

	first half-year 2022					first half-year 2021				
	Equity attributable to providers of capital	Non-controlling interests shareholder	Equity directly attributable to providers of capital	Other non-controlling interests	Total equity	Equity attributable to providers of capital	Non-controlling interests shareholder	Equity directly attributable to providers of capital	Other non-controlling interests	Total equity
At 1 January	**4,012**	-377	**3,635**	326	**3,961**	**3,729**	-212	**3,517**	300	**3,817**
Comprehensive income:										
- profit for the year	103		103	36	**139**	117	-89	28	34	**62**
- other comprehensive income	46	-5	41	2	**43**	46	2	48	6	**54**
Total comprehensive income for the year	**149**	**-5**	**144**	**38**	**182**	**163**	**-87**	**76**	**40**	**116**
Transactions with providers of capital recognised directly in equity:										
- dividends paid	-14		-14	-20	**-34**				-27	**-27**
- interest paid	-26		-26		**-26**	-47		-47		**-47**
- conversion member bonds and capital contributions	23		23		**23**					
- reallocation of goodwill due to change of segments						21	-3	18	-18	
Total transactions with providers of capital	**-17**		**-17**	**-20**	**-37**	**-26**	**-3**	**-29**	**-45**	**-74**
At 30 June	**4,144**	**-382**	**3,762**	**344**	**4,106**	**3,866**	**-302**	**3,564**	**295**	**3,859**

Notes to the condensed consolidated half-year result

In millions of euros, unless stated otherwise

General

Royal FrieslandCampina N.V. has its registered office in Amersfoort, the Netherlands. The address is: Stationsplein 4, 3818 LE, Amersfoort, the Netherlands. The Company is registered in the Chamber of Commerce's Trade Register, No. 11057544. The consolidated half-year figures for the first six months ending on 30 June 2022 include Royal FrieslandCampina N.V. and its subsidiaries (collectively referred to as FrieslandCampina).

Zuivelcoöperatie FrieslandCampina U.A. ('Cooperative') is the sole shareholder of Royal FrieslandCampina N.V.

The consolidated half-year figures have not been audited.

Accounting principles

Statement of compliance
This half-year report is prepared in accordance with IAS 34 'Interim Financial Reporting'. This half-year report should be read in conjunction with the 2021 consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and, insofar as this is applicable, in accordance with Title 9 Book 2 of the Dutch Civil Code.

The accounting principles and calculation methods used to prepare the 2021 consolidated financial statements are also used to prepare this half-year report.

New and revised standards, amendments and interpretations as applied by FrieslandCampina
The changes in IFRS 3 Business Combinations, IAS 16 Property Plant and Equipment and IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as well as new IFRIC interpretations are applied for the first time in 2022 but do not have a significant impact on the consolidated financial statements of FrieslandCampina.

Judgements, estimates and assumptions
The preparation of the consolidated half-year figures in accordance with EU-IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may deviate from management's estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis taking into account the opinion and advice of (external) experts. Gains or losses from revised estimates are reported in the period in which these estimates are revised and in future periods affected by the revised estimates.

Refer to the 2021 consolidated financial statements for an overview of the most important assumptions and estimates. No important changes, other than explained in this half-year report, occurred in the first half of 2021.

Consolidation of entities

There were no significant changes to the consolidation group in the first half of 2022 compared to 31 December 2021.

Financial risk management

The key financial risk management objectives and procedures within FrieslandCampina are consistent with the objectives and procedures set out in the consolidated financial statements 2021.

Seasonal influences

There are no significant seasonal patterns in the first half-year compared to the second half-year.

Segmentation

In the first half of 2022, FrieslandCampina has processed changes in the management structure in which mainly the supply chain of business group Trading and parts of the supply chain of business group Ingredients and business group Specialised Nutrition have moved to business group Food & Beverage. Comparative figures have been adjusted for this purpose. FrieslandCampina distinguishes the following four market-orientated business groups, which are the operating segments disclosed in more detail:

- **Food & Beverage** provides consumers throughout the world with dairy products, such as milk, yoghurt, condensed milk, dairy-based beverages, cheese, quark, butter and cream. The business group Food & Beverage focuses on the consumer and professional channels.

- **Specialised Nutrition** produces and sells various types of infant nutrition. This business group operates in various countries in Asia, Europe, Africa and South America.

- **Ingredients** is a partner for brands and producers wishing to differentiate themselves on the basis of healthy nutrition and wellbeing for consumers in all stages of life. This business group focuses on ingredients for infant nutrition and offers specific innovations and applications for adults relating to medical and sports nutrition.

- **Trading** is involved in procuring and selling commodity dairy products for internal customers and external business-to-business customers. Its product portfolio comprises cheese, butter, milk powder and liquid products, such as raw milk, cream, skimmed milk and milk concentrate. FrieslandCampina Trading also limits the risk of rising or declining raw material prices for dairy by hedging the company's fat and protein positions.

Corporate activities, discontinued operations and Global Shared Services are recognised as other, since these activities cannot be classified under the market-oriented business groups.

The identified operational segments concern the separate segments within FrieslandCampina for which financial information is available that is frequently evaluated by the Executive Board as chief operating decision makers concerning the allocation of available resources to the segment and to assess the segment's performance.

Segmentation by business group

	first half-year 2022						
	Food & Beverage	Specialised Nutrition	Ingredients	Trading	Other	Elimination	**Total**
Revenue third parties	4,547	612	775	663			**6,597**
Internal deliveries[1]	433	101	201	688		-1,423	
Total revenue	**4,980**	**713**	**976**	**1,351**		**-1,423**	**6,597**
Operating result	146	107	88	71	-84		**328**
Result from joint ventures and associates, net of tax					5		**5**
Financing income and -expenses							**-7**
Profit before tax							**326**
Operating result as % net revenue from third parties	3.2	17.5	11.4	10.7			**5.0**
Carrying amount of assets employed in operating activities[2]	5,664	934	1,709	573	569	-667	**8,782**
Carrying amount of other assets							**1,033**
Total assets							**9,815**
Liabilities resulting from operating activities[3]	2,843	454	296	175	617	-667	**3,718**
Other liabilities							**1,991**
Total liabilities							**5,709**

1 Internal deliveries are accounted for in a similar way as transactions with third parties.
2 Relates to carrying amount of assets excluding deferred tax assets, joint ventures and associates, loans granted, securities, long-term receivables, corporate income tax receivables, receivables from Zuivelcoöperatie FrieslandCampina U.A., cash and assets held for sale.
3 Relates to employee benefits, provisions, derivative payables, trade payables and other payables, excluding payables to Zuivelcoöperatie FrieslandCampina U.A.

Segmentation by business group

	first half-year 2021						
	Food & Beverage	Specialised Nutrition	Ingredients	Trading	Other	Elimination	**Total**
Revenue third parties	3,800	516	588	545	78		**5,527**
Internal deliveries[1]	699	107	235	531	72	-1,644	
Total revenue	**4,499**	**623**	**823**	**1,076**	**150**	**-1,644**	**5,527**
Operating result	111	22	55	-27	-31		**130**
Result from joint ventures and associates, net of tax					7		**7**
Financing income and -expenses							**-21**
Profit before tax							**116**
Operating result as % net revenue from third parties	2.9	4.3	9.4	-5.0			**2.4**
Carrying amount of assets employed in operating activities[2]	5,014	838	1,667	400	492	-410	**8,001**
Carrying amount of other assets							**1,095**
Total assets							**9,096**
Liabilities resulting from operating activities[3]	2,216	330	194	228	657	-410	**3,215**
Other liabilities							**2,022**
Total liabilities							**5,237**

1 Internal deliveries are accounted for in a similar way as transactions with third parties.
2 Relates to carrying amount of assets excluding deferred tax assets, joint ventures and associates, loans granted, securities, long-term receivables, corporate income tax receivables, receivables from Zuivelcoöperatie FrieslandCampina U.A., cash and assets held for sale.
3 Relates to employee benefits, provisions, derivative payables, trade payables and other payables, excluding payables to Zuivelcoöperatie FrieslandCampina U.A.

Revenue

Revenue by geographical location of customers	first half-year 2022	
		%
The Netherlands	1,476	23
Germany	554	8
Rest of Europe	1,556	24
Asia and Oceania	1,999	30
Africa and the Middle East	754	11
North and South America	258	4
	6,597	**100**

Revenue primarily consists of the sale of goods with settlement of the performance obligation by FrieslandCampina at a point in time and not over time.

Operating expenses

The cost of goods sold includes the compensation paid for milk to member dairy farmers in the amount of EUR 2,416 million (first half-year 2021: EUR 1,895 million).

Other operating costs and income

Restructurings

FrieslandCampina decided in the first half year of 2022 to merge the production activities of daily-fresh dairy in Rotterdam with the production activities in Maasdam. On May 1, 2022, FrieslandCampina closed two powder towers in Leeuwarden and on June 30, 2022, FrieslandCampina closed the production facility in Lak Si, Thailand. In addition, FrieslandCampina decided to early terminate a production agreement with a customer as per March, 2023, resulting in a restructuring at the production location in Lippstadt, Germany.

On June 15, 2022, FrieslandCampina announced the intended sale of German consumer brands and activities to Unternehmensgruppe Theo Müller. The sale consists of the production sites and distribution centers in Cologne, Heilbronn and Schefflenz, as well as some brands, including Landliebe.

As a result of these restructurings, in the first half-year of 2022, impairments of property, plant and equipment (EUR 73 million) and restructuring provisions (EUR 18 million) are recognised as Other operating costs and income.

Settlement contingent asset

As part of the sale of the fruit juices and fruit drinks activities in the Netherlands and Belgium, FrieslandCampina has agreed on a contingent asset from the buyer. As per January 2022, both parties have agreed to largely settle the contingent asset for a total amount of EUR 11 million. The income as a result of the settlement is recognised in 2022 as Other operating costs and income.

Finance income and costs

The net interest costs in the first half of 2022 amounted to EUR 9 million (first half-year 2021: EUR -12 million).
In the first half of 2022, a positive result on currency translation in the amount of EUR 4 million for interest bearing receivables and payables in foreign currencies, as well as the results realised from financial derivatives, was included under finance costs and income. In the first half of 2021 the result on currency translation was EUR 6 million negative.

Taxes

The tax expense amounted to EUR 187 million (first half-year 2021: EUR 54 million). The increase is mainly due to the higher profit and a write-down of the deferred tax asset in the Netherlands. The effective tax rate in the first half of 2022 is 57.3% (first half of 2021: 46.6%).

Property, plant and equipment

	Total
Carrying amount at 1 January	**3,402**
Additions	180
Disposals	-1
Currency translation differences	21
Remeasurements	2
Transfers to assets held for sale	-70
Depreciation	-191
Impairments	-75
Reversal of impairments	1
Carrying amount at 30 June	**3,269**

Impairments in the first half-year of 2022 mainly relate to intended site closures, the closure of powder towers in Leeuwarden, and the intended sale of part of the business in Germany. More information is disclosed under Other operating income and costs.

Intangible assets

	Total
Carrying amount at 1 January	**1,503**
Additions	14
Disposals	-1
Currency translation differences	-3
Amortisation	-39
Impairments	-15
Carrying amount at 30 June	**1,459**

Impairments in the first half-year of 2022 mainly relate to cloud computing arrangements, of which the capitalization of costs is restricted based on a recently published interpretation of IFRS, and the early replacement of a software project.

Inventories

During the first half-year of 2022, inventories are written down for in total EUR 25 million (first half-year 2021: EUR 35 million). The write-down of inventories is recognised in cost of goods sold.

Cash and cash equivalents

Cash and cash equivalents in Nigeria amount to EUR 100 million as per June 30, 2022 (end of 2021: EUR 221 million). Pursuant to IAS 7, these cash and cash equivalents are restricted for use by the group due to currency restrictions, including the very limited availability of USD.

Assets and Liabilities held for sale

On June 15, 2022, FrieslandCampina announced the intended sale of a part of the German consumer brands and activities, part of business group Food & Beverage, to Unternehmensgruppe Theo Müller. For more information, refer to Other operating income and costs.
The sale is expected to be finalised at the end of 2022. As a result of this intended disposal, related assets and liabilities are reclassed to Assets and liabilities held for sale at the end of June.

Equity

Effective 1 January 2022, the Cooperative has issued milk certificates valued at 8.00 euros per 100 kilos of supplied milk to its member dairy farmers. On the basis of the volume of milk supplied during the period 1 October 2020 through to the end of 30 September 2021, the number of milk certificates is set at 9,405 million, with a nominal value of EUR 752 million. The milk certificates are paid up by members by handing in member bonds (including accrued interest: EUR 544 million), member certificates of the Cooperative (including accrued interest: EUR 50 million), the current account or cash (EUR 23 million). The Cooperative has provided members a loan for the remaining amount (EUR 135 million). The Cooperative has made a capital contribution to FrieslandCampina's equity in the amount of EUR 617 million to offset the handing in of member bonds and member certificates, as well as for the milk certificates that were paid up by the current account or cash.

Reserve policy
The 2021-2022 reserve policy stipulates that 60% of the Company's profit based on the guaranteed price, as far as it attributes directly or indirectly to the shareholder of the Company, will be added to the retained earnings. As part of the payment for milk supply, 40% of this profit can be paid out to member dairy farmers as a supplementary cash payment. In the event of a goodwill impairment greater than EUR 100 million, it may be decided to deduct the entire amount from retained earnings via the profit appropriation. In case a book profit of at least EUR 100 million is realised relating to divestments of businesses, it may be decided to add the entire amount or part of the amount to retained earnings via the profit appropriation.

The reserve policy is described in the milk price regulation and is being revised every three years. After the General Meeting of Shareholders' adoption of the financial statements, the supplementary cash payments are made, if any. In 2022, EUR 14 million is paid to member farmers as supplementary cash payment for milk deliveries in 2021.

Pursuant to the reservation policy, an interim payment can be proposed on the basis of the results for the first half-year of FrieslandCampina and the quantity of milk supplied. The interim payment consists of 75% of the pro forma supplementary cash payment on the value of the quantity of milk supplied in the first half-year. Due to the uncertain outlook for the second half of the year, the Executive Board has decided not to make an interim payment to member farmers.

Provisions

Restructuring provisions
In the first half-year of 2022, restructuring provisions of EUR 18 million are recorded, following announced restructurings. Refer to Other operating costs and income for more details.

Commitments and contingencies

The commitments and contingencies do not materially deviate from the commitments and contingencies that were disclosed in the consolidated financial statements 2021.

Transactions with related parties

For more details with respect to the capital contribution from the Cooperation in equity of FrieslandCampina, refer to the disclosure regarding Equity.
There was no other significant change in the nature of the information concerning related party transactions.

Financial instruments

Accounting classifications and fair values
The financial instruments measured at fair value, per valuation method, are stated in the table below. The fair value is the amount that would be received or paid if the receivables and/or liabilities were settled on the reporting date, without further liabilities. The different levels of input data for the determination of the fair value are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: input other than quoted market prices that come under Level 1 that is observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
Level 3: input related to the asset or liability that is not based on observable market data (unobservable input) whereby this input has a significant impact on the outcome.

	30 June 2022		
	Level 2	Level 3	**Total fair value**
Fair value hedge accounting instruments			
Hedging derivatives - assets	72		**72**
Hedging derivatives - liabilities			
Mandatorily at fair value through profit or loss			
Hedging derivatives - assets	20		**20**
Hedging derivatives - liabilities	8		**8**
Put option liabilities		65	**65**
Contingent considerations		2	**2**

For interest bearing borrowings, the difference between the fair value and the carrying amount is disclosed below::

	30 June 2022	
Financial liabilities not measured at fair value	Carrying amount	Fair value
Interest-bearing borrowings – fixed rate	922	923
Interest-bearing borrowings – variable rate	749	749

FrieslandCampina also has other financial assets and liabilities that are not valued at fair value. In principle, the fair value of these financial assets and liabilities does not differ significantly in comparison to the carrying amount, since the interest paid is market based and the term is of short duration.

Hedging derivatives

The fair value of forward currency contracts is calculated by comparing them with the current forward prices of contracts with equal remaining terms. The fair value of interest rate swaps is determined on the basis of the present value based on current market data provided by Bloomberg. The fair value of the commodity swaps is determined on the basis of the statement of market-to-market valuations of the relevant counterparties.

Put option liabilities

The put option liabilities to other shareholders in the Dutch legal entity that holds 51% of the shares in FrieslandCampina Engro Pakistan Ltd. amounts to EUR 65 million as at 30 June 2022. The exercise price is primarily dependent on FrieslandCampina Engro Pakistan Ltd's profit before interest, taxes, and depreciation and amortisation. If FrieslandCampina Engro Pakistan Ltd's expected profit before interest, taxes, and depreciation and amortisation had been 10% higher, then FrieslandCampina's result over the first half-year of 2022 would have been EUR 1 million lower due to the remeasurement of the put option liabilities.

Movements and transfers

The following movements of the financial instruments classified as level 3 took place in the first half of 2022:

	30 June 2022	
	Contingent considerations	Put option liabilities
Carrying amount at 1 January	4	65
Redemptions	-2	
Carrying amount at 30 June	**2**	**65**

There were no transfers from or to levels 1, 2 or 3 during the first half-year of 2022.

Subsequent events

On July 11, 2022, FrieslandCampina signed an agreement with Yili, a China-based multinational, to sell the infant nutrition plant in Chinese Xiushui, part of business group Specialised Nutrition. Following this sale, the cumulative translation reserve related to the plant of EUR 9 million will be recorded as a loss in the income statement at closing date, expected in the second half year of 2022. The direct result following this transaction is limited.

Amersfoort, the Netherlands, 15 July 2022

FrieslandCampina
nourishing by nature
150 years

www.frieslandcampina.com

Royal FrieslandCampina N.V.
FrieslandCampina is one of the largest dairy companies in the world with a cooperative tradition going back 150 years. The company processes the milk from dairy farms into a wide range of dairy products and ingredients. This way FrieslandCampina provides hundreds of millions of people throughout the world with valuable nutrients from milk.

Royal FrieslandCampina N.V. is fully owned by Zuivelcoöperatie FrieslandCampina U.A., with 15,703 member dairy farmers in the Netherlands, Belgium and Germany in 2021. Through the cooperative, these member dairy farmers own and supervise the company. Together with the member dairy farmers, FrieslandCampina manages the entire production chain: from grass to glass.

FrieslandCampina provides consumers with dairy products, such as milk, yoghurt, condensed milk, dairy-based beverages, cheese, butter, quark and cream. The dairy company supplies specific nutrition to specific consumer groups, such as children, the elderly and sportspeople. Professional customers, such as bakers, pastry chefs, chocolate confectioners, chefs and caterers can rely on FrieslandCampina for a broad product range, including creams, butters, desserts and fillings. In addition, the company supplies high-quality ingredients to international food producers and pharmaceutical companies.

In 2021, 10,564 member dairy farms in the Netherlands, Germany and Belgium supplied almost 10 billion kilos of milk for processing into dairy products and ingredients. FrieslandCampina has branches in 32 countries and exports to more than 100 countries worldwide. At year-end 2021, FrieslandCampina employed an average of 22,961 people (FTEs). For additional information, please visit our website: www.frieslandcampina.com.

Royal FrieslandCampina N.V.
Stationsplein 4
3818 LE Amersfoort
The Netherlands
T +31 33 713 3333