Croda International Plc

Half year 2022 results

29 July 2022
Disclaimer

Cautionary statement

This review is intended to focus on matters which are relevant to the interests of shareholders in the Company. The purpose of the review is to assist shareholders in assessing the strategies adopted and performance delivered by the Company and the potential for those strategies to succeed. It should not be relied upon by any other party or for any other purpose. Forward looking statements are made in good faith, based on a number of assumptions concerning future events and information available to the Directors at the time of their approval of this report. These forward looking statements should be treated with caution due to the inherent uncertainties underlying such forward looking information. The user of this review should not rely unduly on these forward looking statements, which are not a guarantee of performance and which are subject to a number of uncertainties and other facts, many of which are outside the Company’s control and could cause actual events to differ materially from those in these statements. No guarantee can be given of future results, levels of activity, performance or achievements.

Alternative Performance Measures (APMs)

We use a number of APMs to assist in presenting information in this statement in an easily analysable and comparable form. We use such measures consistently at the half year and full year, and reconcile them as appropriate. Whilst the Board believes the APMs used provide a meaningful basis upon which to analyse the Group’s financial performance and position, which is helpful to the reader, it notes that APMs have certain limitations, including the exclusion of significant recurring items, and may not be directly comparable with similarly titled measures presented by other companies. The measures used in this presentation are defined in Croda’s half results statement for the six months ended 30 June 2022.

Market information

Market sizes and growth rates are company estimates informed by a range of third party sources.
Agenda

01. Overview

02. Excellent first half performance

03. An even more resilient growth platform

04. Questions
01 Overview

Steve Foots
Chief Executive Officer
Overview

Strong operating model underpinning strategic progress

Highlights

• Record sales, margin and profit
• Growth across all sectors and regions
• Successful inflation recovery

Strong strategy delivery

• Divested majority of PTIC
• Transitioning to pure-play business
• Capital redeployment underway
## Overview

**Record sales, margin and profit**

<table>
<thead>
<tr>
<th>Sales</th>
<th>Operating profit</th>
<th>Return on sales</th>
<th>Earnings per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>+20.7%</td>
<td>+24.1%</td>
<td>+70bps</td>
<td>+25.2%</td>
</tr>
<tr>
<td>£1,127m</td>
<td>£300.4m</td>
<td>26.6%</td>
<td>155.2p</td>
</tr>
</tbody>
</table>

- Strong sales growth in every region & sector
- Profit growth across Croda businesses
- Continued positive mix
- Strong returns to shareholders

Reported currency. Operating profit and earnings per share are on an adjusted basis.

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CRODA Smart science to improve lives™
Overview

A pure-play Consumer Care and Life Sciences company

IP rich

Knowledge intensive

Capital light

Carbon light

Higher value

NPP

IP protection

Capex

Scope 1 & 2 emissions

Test tube & vial quantity

37% as a % of total sales

>1,500 patents

6% of sales

-26% post PTIC divestment

£/kg→£/g product pricing

Financial profile

More consistent growth

Higher revenues

Increased margins

Increased ROIC

New and Protected Products (NPP) is post PTIC divestment. Capex is management medium-term estimate. Scope 1 & 2 emissions target to be rebased to maintain original challenge.
02 Excellent first half performance

Jez Maiden
Group Finance Director
## Financial results

### Excellent first half performance

<table>
<thead>
<tr>
<th>Adjusted results, £m</th>
<th>H1/22 reported</th>
<th>H1/21 reported</th>
<th>% change</th>
<th>% change constant currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,127.3</td>
<td>934.0</td>
<td>20.7%</td>
<td>18.3%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>300.4</td>
<td>242.1</td>
<td>24.1%</td>
<td>21.8%</td>
</tr>
<tr>
<td>Return on sales</td>
<td>26.6%</td>
<td>25.9%</td>
<td>70bps</td>
<td>-</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>288.8</td>
<td>229.5</td>
<td>25.8%</td>
<td>23.6%</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>155.2p</td>
<td>124.0p</td>
<td>25.2%</td>
<td>22.8%</td>
</tr>
<tr>
<td>Ordinary dividend per share</td>
<td>47.0p</td>
<td>43.5p</td>
<td>8.0%</td>
<td>-</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>21.1</td>
<td>42.7</td>
<td>(50.6)%</td>
<td>-</td>
</tr>
</tbody>
</table>

### Reconciliation to IFRS, £m

<table>
<thead>
<tr>
<th>Reconciliation to IFRS, £m</th>
<th>H1/22 reported</th>
<th>H1/21 reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted PBT</td>
<td>288.8</td>
<td>229.5</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>4.4</td>
<td>(8.6)</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>(17.3)</td>
<td>(16.8)</td>
</tr>
<tr>
<td>Gain on business disposal</td>
<td>360.6</td>
<td>-</td>
</tr>
<tr>
<td>Reported PBT</td>
<td>636.5</td>
<td>204.1</td>
</tr>
</tbody>
</table>

Reported currency except where stated.
Financial results

Sales growth driven by pricing and mix

Sales, £m

<table>
<thead>
<tr>
<th>Component</th>
<th>H1/21 reported currency</th>
<th>Price / mix</th>
<th>Volume</th>
<th>Acquisitions</th>
<th>Currency translation</th>
<th>H1/22 reported currency</th>
<th>Divestment impact</th>
<th>Excluding divested business*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported growth</td>
<td></td>
<td>22%</td>
<td>(5)%</td>
<td>1%</td>
<td>3%</td>
<td>934.0</td>
<td>1,127.3</td>
<td>936.3</td>
</tr>
<tr>
<td>Underlying growth</td>
<td></td>
<td>934.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reported currency except where stated. *Had divestment occurred on 01/01/2022.
Continued recovery of unprecedented inflation

H1/22 sales analysis

Inflation in key input costs

Raw materials
- Broad basket of raw materials
- Average increase of 25% from Q4/21 to Q2/22
- Successfully managing impact through pricing

Freight
- 14% increase from Q4/21 to Q2/22
- Reflects disruption to global trade exacerbated by war in Ukraine

Energy
- 47% increase from Q4/21 to Q2/22
- Small proportion of cost base
- Limited exposure to potential gas interruption

Reported currency. *Labour excludes variable remuneration charge.
Financial results

Sales growth across all regions

Reported sales growth

- Europe: +13%
- North America: +21%
- Asia: +31%
- Latin America: +35%

• Strong regional recovery over last 18 months
• Limited impact from lockdowns in China
• Continued strong growth in North America
• Latin America led by excellent crop demand
• Double digit growth in Europe despite impact of Ukraine

Underlying sales growth

- Europe: +13%
- North America: +14%
- Asia: +26%
- Latin America: +26%

Reported currency except where stated. Underlying growth excludes currency translation and M&A.
Sales and profit growth across all sectors

Financial results

Reported currency. Operating profit is on an adjusted basis.
Financial results

Strong Consumer Care performance

Sales, £m

- Underlying growth +18%
- Reported growth +24%
- H1/21 reported currency: 367.0
- H1/22 reported currency: 454.9

<table>
<thead>
<tr>
<th>Component</th>
<th>H1/21 reported currency</th>
<th>Price / mix</th>
<th>Volume</th>
<th>Acquisitions</th>
<th>Currency translation</th>
<th>H1/22 reported currency</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reported currency except where stated.

- Standout performer
- Successful inflation recovery
- Slightly lower volume: de-marketing & 2021 customer stocking
- Sales growth in all four business units
- Growth led by Beauty Care
- F&F synergies underway
- Return on sales increased by 200bps to 26.6%
## Life Sciences building on exceptional prior period

### Sales, £m

<table>
<thead>
<tr>
<th>Component</th>
<th>H1/21 reported currency</th>
<th>Price / mix</th>
<th>Volume</th>
<th>Acquisitions</th>
<th>Currency translation</th>
<th>H1/22 reported currency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>290.4</td>
<td>-</td>
<td>11%</td>
<td>0%</td>
<td>2%</td>
<td>329.7</td>
</tr>
</tbody>
</table>

**Reported growth +14%**

**Underlying growth +12%**

### Financial results

- Further progress after outstanding 2021
- Continued strong growth in Crop
- Health Care platforms growing (excluding lipids)
- Mix effect on return on sales (36.0%)  
- Lipid systems moving from COVID to pipeline
  - Peak COVID sales in 2021 ($190m)
  - Expected to moderate through 2024
  - Progressive offset from exciting pipeline

### Total lipid sales by year, $m*

<table>
<thead>
<tr>
<th>Year</th>
<th>Lipid Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>~230</td>
</tr>
<tr>
<td>2022</td>
<td>~150</td>
</tr>
<tr>
<td>2023</td>
<td>~120</td>
</tr>
<tr>
<td>2024</td>
<td>~120</td>
</tr>
</tbody>
</table>

*Lipid sales are management forecast.*

Reported currency except where stated.
• Successful divestment on 30 June
• Principal divestment completed: €775m gross proceeds
• Sipo sale discussion continues (€140m)
• Retained Industrial Specialities business

**Financial results**

**Divestment of majority of PTIC**

**Sales, £m**

- Reported growth +24%
- Underlying growth +22%

<table>
<thead>
<tr>
<th></th>
<th>H1/21 reported currency</th>
<th>Price / mix</th>
<th>Volume</th>
<th>Acquisitions</th>
<th>Currency translation</th>
<th>H1/22 reported currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>276.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>342.7</td>
</tr>
</tbody>
</table>

Reported currency except where stated. *Impact on Group, had divestment occurred on 01/01/2022.

**Estimated impact of divestment**

<table>
<thead>
<tr>
<th>£m</th>
<th>H1/22 reported</th>
<th>Divestment Impact*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>343</td>
<td>(191)</td>
</tr>
<tr>
<td>Adjusted operating profit</td>
<td>61</td>
<td>(39)</td>
</tr>
</tbody>
</table>
# Financial results

## Lower free cash flow reflecting working capital investment

### Cash flow, £m

<table>
<thead>
<tr>
<th></th>
<th>H1/22</th>
<th>H1/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted operating profit</td>
<td>300.4</td>
<td>242.1</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>43.5</td>
<td>38.2</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>343.9</td>
<td>280.3</td>
</tr>
<tr>
<td>Working capital</td>
<td>(183.8)</td>
<td>(98.4)</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(61.8)</td>
<td>(81.6)</td>
</tr>
<tr>
<td>Interest &amp; tax</td>
<td>(73.4)</td>
<td>(56.9)</td>
</tr>
<tr>
<td>Other</td>
<td>(3.8)</td>
<td>(0.7)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>21.1</td>
<td>42.7</td>
</tr>
<tr>
<td>Dividends</td>
<td>(78.8)</td>
<td>(71.8)</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>(14.2)</td>
<td>(55.5)</td>
</tr>
<tr>
<td>Business disposal net of cash</td>
<td>613.4</td>
<td>-</td>
</tr>
<tr>
<td>Other cash movements</td>
<td>(22.1)</td>
<td>5.4</td>
</tr>
<tr>
<td><strong>Net cash flow</strong></td>
<td>519.4</td>
<td>(79.2)</td>
</tr>
</tbody>
</table>

### Notes:
- Strong EBITDA growth
- Working capital primarily reflecting inflation
- Stable inventory volume
- H2 improvement expected
- Capex in line with guidance
- Net debt £331m (leverage 0.6x)
Reinvesting proceeds of divestment

- Divestment enables capital allocation to faster growth, higher return markets
  - Rich seam of growth opportunities
  - Reinvest in capex for organic growth
  - Complement with selective M&A: technology adjacencies (‘buy and build’)
  - Regular dividend growth for shareholders
  - Maintain appropriate leverage
- Typical investment capex \(\sim \£100\)m pa
- Additional \(\£160\)m pharma programme (2021-2024)

Financial results

Organic capital investment programme

- Typical investment
- Pharma investment

\(\sim 6\% \) sales
An even more resilient growth platform

Steve Foots
Chief Executive Officer
Attractive portfolio for more resilient growth

**Consumer Care: >5% sales growth + synergies, >25% ROS**

<table>
<thead>
<tr>
<th>Category</th>
<th>Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beauty Actives</td>
<td>• Innovation leader&lt;br&gt;• Defensive, premium markets</td>
</tr>
<tr>
<td>Beauty Care</td>
<td>• Broad portfolio&lt;br&gt;• Sustainability trend driven</td>
</tr>
<tr>
<td>Fragrances and Flavours</td>
<td>• Highly responsive&lt;br&gt;• Fast-growth markets</td>
</tr>
<tr>
<td>Home Care</td>
<td>• Targeted IP&lt;br&gt;• Niche customer-driven projects</td>
</tr>
</tbody>
</table>

**Life Sciences: high single digit % sales growth, >30% ROS**

<table>
<thead>
<tr>
<th>Category</th>
<th>Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care</td>
<td></td>
</tr>
<tr>
<td>Consumer &amp; Veterinary Health</td>
<td>• Excipient and OTC delivery&lt;br&gt;• Broadly independent of macro</td>
</tr>
<tr>
<td>Patient Health</td>
<td>• Fast-growth pipelines&lt;br&gt;• Broadly independent of macro</td>
</tr>
<tr>
<td>Crop Care</td>
<td></td>
</tr>
<tr>
<td>Crop Protection</td>
<td>• Collaborative innovation&lt;br&gt;• Broadly independent of macro</td>
</tr>
<tr>
<td>Seed Enhancement</td>
<td>• Leading innovator&lt;br&gt;• Broadly independent of macro</td>
</tr>
</tbody>
</table>

Core attributes of business: 1.5x GDP sales growth, ROS >20%, ROIC >2x cost of capital
Consumer Care
## Growth through sustainable ingredients

### Bio-based ingredients

**Croda commitment:** 75% bio-based raw materials
- Global ambition to move away from fossil-derived ethylene oxide feedstock

*Enables customers to meet their commitments to fossil-free formulations*

### Positive impact sourcing

**Croda commitment:** no deforestation, peat or exploitation (NDPE)
- Croda investment in palm derivatives supply chain

*Enables customers to market purpose-driven brands*

### Sustainable manufacturing

**Croda commitment:** decarbonising to deliver 1½°C science-based target
- Developing customer Scope 3 data for every Consumer Care product

*Enables customers to reduce Scope 3 emissions*

### Sustainable innovation

**Croda commitment:** all R&D projects assessed for their sustainability impact
- 88% product launches aligned with UN SDGs; biotech to enable portfolio transition

*Enables customers to meet their own sustainability commitments*

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**Sustainability + Innovation = Growth**
**Beauty Actives**

**Encapsulated retinol**
Enhanced anti-aging effect through encapsulation

**BB-Biont®**
Enhanced wellbeing through reduced acne scarring

ECO sales growth is management estimate. EM is emerging markets.

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**Beauty Care**

**Mineral sunscreens**
Accelerating demand in North America and Asia

**ECO® surfactants**
Continued growth of fossil-free alternatives

CRODA  
Smart science to improve lives™

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**F&F**

**Encapsulated fragrances**
Enhanced sustainability through encapsulation

**Building on strong EM presence**
Expanding in Brazil, South Africa and Indonesia

>75%  
ECO sales CAGR to 2025
## Growth through future innovation pipeline

### Sustainable actives
- Actives derived from ‘blue’ biotech
- Anti-dandruff, anti-aging and anti-inflammatory
- Developed by Nautilus, marketed by Sederma

### Sustainable surfactants
- Biotech-derived glycolipid surfactants
- Performance driven
- Complements existing ECO range

### Sustainable fragrance molecules
- New bio-based fragrance ingredients
- Improved sustainability proposition for customers
- Meeting non-fossil needs
Consumer Care

Growth through focused investment

**Biotech**

- **New biotech applications laboratory**

**Sulfate-free surfactants**

- **Carbon-neutral surfactant expansion**

**Expansion in China**

- **New facility, Guangzhou, China**

**Fabric care biopolymers**

- **Consumer Care expansion, Singapore**

### ‘Big bet’ projects

- **Increasing investment**
- 5 R&D centres
- 2 production facilities
- >50 specialist scientists
- Benefits all business units

### 3x capacity

- **£30m completed investment**
- Carbon neutral expansion
- ‘Clean beauty’ trend
- 2 x sales since 2017
- Benefits Beauty Care & Home Care

### On-stream 2024

- **£40m future investment**
- New Guangzhou facility
- Botanicals & fragrances
- ‘In China, for China’
- Benefits Beauty Actives and F&F

### 6x capacity

- **£40m ongoing investment**
- Singapore and UK
- Faster China & EM growth
- >3x market growth
- Benefits Home Care & Beauty Care

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Site decarbonisation roadmaps delivering customer Scope 3 benefits
## An even more resilient growth platform

<table>
<thead>
<tr>
<th>Consumer Care</th>
<th>Beauty Actives</th>
<th>Beauty Care</th>
<th>F&amp;F</th>
<th>Home Care</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trend</strong></td>
<td>Science and sustainability</td>
<td>Green; clean; conscious</td>
<td>Fast and responsive</td>
<td>Carbon benefits-in-use</td>
</tr>
<tr>
<td><strong>Portfolio</strong></td>
<td>16,300 combinations</td>
<td>23,250 combinations</td>
<td>36,500 fragrances</td>
<td>2,500 combinations</td>
</tr>
<tr>
<td><strong>Footprint</strong></td>
<td>100 countries; &gt;40% EM</td>
<td></td>
<td>120 countries; &gt;80% EM</td>
<td>&gt;70 countries; &gt;40% EM</td>
</tr>
<tr>
<td><strong>Pipeline</strong></td>
<td>Sustainable actives</td>
<td>Sustainable surfactants</td>
<td>Fossil-free fragrances</td>
<td>Probiotic cleaning</td>
</tr>
<tr>
<td><strong>Resilience</strong></td>
<td>Winning in premium</td>
<td>Winning share</td>
<td>Winning with agility</td>
<td>Winning in niches</td>
</tr>
</tbody>
</table>

Portfolio data is product / customer combinations except where stated.
Life Sciences
## Growth through biologics

<table>
<thead>
<tr>
<th>Market</th>
<th>Opportunity</th>
<th>Croda product class</th>
</tr>
</thead>
</table>
| Proteins and monoclonal antibodies | $300bn biologic drug market; 12% CAGR  
>5,000 clinical trials of monoclonal antibodies (mAbs) underway  
• Enable targeted therapies for diseases previously only treated for symptoms | Speciality excipients        |
| Vaccines                        | $25bn treatment vaccines market; 8% CAGR  
>1,500 clinical trials of treatment vaccines underway  
• Create an immune response to an already contracted disease | Vaccine adjuvants             |
| Nucleic acid therapeutics       | mRNA market expected to reach $35bn by 2035  
>180 clinical trials of mRNA drugs and vaccines underway  
• Teach cells to make proteins which fight a disease | Lipid systems                |
| Biopesticides and RNA           | $5bn biopesticide market growing twice as fast as conventional pesticides  
*Market for RNAi ‘gene silencing’ technology expected to be £3bn by 2030*  
• Enable more sustainable, non-chemical crop treatments | Crop science                 |
Growth through strong biopharma sales pipeline

Speciality Excipients

- **mAbs to treat cancer**
  Speciality excipients for oncology applications

- **mAb treatment to preserve eye sight**
  Speciality excipients to combat macular degeneration

Vaccine adjuvants

- **World’s only aseptic adjuvant facility**
  Prophylactic vaccines for multiple diseases

- **Therapeutic vaccine for HIV**
  Phase 3 trials in Sub-Saharan Africa

Lipid systems

- **Preventing respiratory diseases**
  Prophylactic vaccines for influenza and RSV

- **Therapeutic vaccines for cancer**
  Lipids for mRNA-based cancer treatments

RSV is human respiratory syncytial virus.
Growth through biopharma innovation pipeline

Novel delivery systems

Current example: oral insulin delivery system
Uses speciality excipient with superior solubility
• Alternative to injection
• Prevents breakdown in gut; promotes absorption
• Phase 3 US clinical trial

Immunotherapy

Current example: cancer immunotherapy
Uses vaccine adjuvant systems
• Personalised therapy to trigger T cell response
• Treatment of skin, lung and bladder cancers
• Phase 2 clinical trial in Denmark

Gene therapy

Current example: heart disease gene therapy
Uses lipid systems
• Single course turns off specific problematic genes
• Combats fat build up on artery walls
• World’s first gene editing patient trial

Examples are programmes which use current generation delivery systems but illustrate focus of future innovation.
Life Sciences

Growth through focused investment

Speciality excipients

- Doubled capacity at our speciality excipients plant

Completed:
- Capacity expansion, Penn, USA

Vaccine adjuvants

- Rapidly expanding our aseptic facility for adjuvant systems

In progress:
- Rapid expansion, Denmark

Lipid systems

- Establishing a second lipid systems scale up site

In progress:
- R&D facility, Avanti, USA
- Scale-up expansion, Leek, UK
- #2 scale up plant, Penn, USA

Investment programme 2021-2024

- Croda: £160m
- Governments: ~£75m
- Leverage Avanti R&D
- Create second scale up plant
- Drive accelerated growth
An exciting biopharma pipeline

New applications

**Speciality excipients**
- Monoclonal antibodies
- Oncology and immunosuppressants
- Adjacencies, eg cell media

**Vaccine adjuvants**
- Next-generation adjuvant systems
- 15 of 24 WHO-listed diseases
- Immunotherapy

**Lipid systems**
- Vaccines
- Oncology drugs
- Gene editing

5 October 2022 – Health Care investor seminar, London Stock Exchange
Summary

Outlook
• H1 profit ahead
• Full year profit modestly ahead of previous expectations
  • More resilient Consumer Care platform
  • Growing in Crop
  • Exciting platforms in Health Care

Resilient growth platform
• Powerful operating model
• Increased focus
• Greater innovation
• Strong pipeline of opportunities
04 Questions
05 Additional financial information
## Additional financial information

### IAS 19 retirement benefits

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
<th>30 Jun 2022</th>
<th>31 Dec 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market value of assets</td>
<td></td>
<td>1,107.6</td>
<td>1,340.1</td>
</tr>
<tr>
<td>Value of liabilities</td>
<td></td>
<td>(999.5)</td>
<td>(1,332.2)</td>
</tr>
<tr>
<td>Surplus pre tax</td>
<td></td>
<td>108.1</td>
<td>7.9</td>
</tr>
<tr>
<td>Deferred tax</td>
<td></td>
<td>(27.2)</td>
<td>(2.1)</td>
</tr>
<tr>
<td>Surplus post tax</td>
<td></td>
<td>80.9</td>
<td>5.8</td>
</tr>
</tbody>
</table>
Currency exposure

Currency translation

- Favourable profit impact in H1/22 as Sterling weakened
- H1/22 average rates:
  - US$1.301 (HY/21: US$1.388)
  - €1.189 (HY/21: €1.152)
- Average annual impact:
  - £1.4m per $cent pa
  - £1.1m per €cent pa
- US$ and € represent approximately 70% of currency translation exposure