



2022 Half-year results

Solid business and financial performance in H1-2022 Net sales and core EBITDA margin guidance for 2022 confirmed

Paris – September 1, 2022

- Net sales up +10.1% reaching €483.8 million in H1-2022 to be compared with €439.4 million restated net sales in H1-2021, driven by both a positive contribution from API Solutions (+6.5%) and a robust performance in CDMO (+22.2%), fostered by strong momentum in large molecules
- Core EBITDA margin at 14.5%, improving 128 bps on a restated basis, fueled by improved gross profit on the back of efficiency initiatives (price adjustments and industrial performance plan), higher volumes driving better absorption of the cost base, and a better product mix
- Consolidated net income of €16.7 million and net cash of €20.2 million
- Commercial activity during H1-2022 generating almost as many CDMO requests for proposals (RFPs) as in the whole of 2021 with 19 new CDMO projects won since the January 1st, 2022
- Composition of the Board of Directors finalized with Rodolfo Savitzky joining as of September 1, 2022, and the recent appointment of two employee representatives, Marie-Isabelle Penet and Kévin Rodier
- 2022 guidance confirmed for net sales (~€1 billion) and Core EBITDA margin (≥14%). Capex guidance updated to ~14% of net sales (~12% previously) to

support growth in a highly inflationary environment. In the current context, EUROAPI remains confident in achieving its mid-term financial objectives.

Commenting on these results, Karl Rotthier, CEO of EUROAPI, said: *“EUROAPI achieved a solid financial performance over the first half of the year, despite challenging geopolitical and macroeconomic conditions. We recorded strong growth in sales and profitability, thanks especially to the acceleration of both our API Solutions and CDMO activities and to the execution of our industrial performance plan. We will continue to implement our strategic roadmap in the coming months and are confirming our guidance for full-year 2022 consolidated net sales and Core EBITDA margin.”*

Business update

API Solutions' commercial strategy started to deliver in H1-2022. Several contracts with new and existing customers were signed, or extended, together with a strong level of activity on cross-selling. Against a backdrop of inflationary raw material and energy prices, price adjustment initiatives were accelerated and will materialize further in the second half of the year for the Other clients than Sanofi.

The **CDMO** strategy was deployed, with increased EUROAPI brand awareness on the market, intense prospection efforts with clients and strengthening of the scouting team. This resulted in the number of RFPs received in H1-2022 almost equaling the total number received in the whole of 2021. Construction of the CDMO project pipeline continued, with the number of projects now totaling 64¹ following the addition of 19 new projects, notably in oligonucleotides, lipid nanoparticles and complex chemistry. On May 30, 2022, EUROAPI announced the expansion of its collaboration with Sanofi's mRNA platform, with the development of lipid nanoparticles.

Several **growth and performance capex** projects were initiated in H1-2022 in line with the objective to commit about half of EUROAPI's investments to growth and performance in order to sustain high value capacity-constrained segments in API Solutions and fast-paced expanding modalities in CDMO by 2025. In this regard, a new tranche of the oligonucleotide and peptide capacity expansion program was launched in Frankfurt along with the initiation of the construction of a biomass boiler to support the vitamin B12 capacity enhancement program in Elbeuf.

¹ As of June 30, 2022, the CDMO pipeline included 22 existing commercial projects originating from before EUROAPI's separation from Sanofi, 23 new projects won by the CDMO teams prior to December 31, 2021, and 19 projects won since the beginning of this year.

Key performance indicators

Consolidated key performance indicators²

(in € millions)	H1-2022	H1-2021	Change
Net sales	483.8	434.7	+11.3%
Gross profit	97.7	51.7	+89.2%
Gross profit (%)	20.2%	11.9%	n.a.
Core EBITDA	70.3	36.7	+91.6%
Core EBITDA (%)	14.5%	8.4%	n.a.
Net income/(loss)	16.7	(1.1)	n.a.
Earnings per share (in euros)	0.18	(0.01)	n.a.

Restated key performance indicators

(in € millions)	H1-2022	H1-2021	Change
Net sales	483.8	439.4	+10.1%
Gross profit	97.7	81.5	+19.9%
Gross profit (%)	20.2%	18.6%	n.a.
Core EBITDA	70.3	58.5	+20.2%
Core EBITDA (%)	14.5%	13.3%	n.a.

Consolidated financial performance²

Note: All commentary in this section compares H1-2022 and H1-2021 historical consolidated financial information.

During the first half of 2022, EUROAPI generated consolidated **net sales** of €483.8 million, +11.3% versus the comparable period in 2021. In 2022, the Group reclassified revenues from activities and services, that do not relate to the manufacturing or distribution of APIs to **other revenues**³ in the amount of €2.0 million for H1-2022.

Gross profit was €97.7 million, increasing by €46.1 million versus the same period in 2021. The **gross profit ratio** improved by 831 bps to 20.2% mainly reflecting the new

² Consolidated key performance indicators for the first semester 2021 are not fully comparable to ones for the first semester 2022 as the contractual framework with Sanofi was not yet implemented in June 2021 nor the target organization fully deployed. Due to the importance of these impacts the restated performance indicators have been prepared to provide investors with a better understanding of the Group's performance, considering the impacts of the Prior Reorganization Transactions as part of the separation from the Sanofi group. The restated performance indicators have not been independently reviewed or audited by the Statutory Auditors. Please refer to the Section 8.1.4(b) "Restated performance indicators that take into account the new EUROAPI business model from the Prior Reorganization Transactions" of the French version of the listing Prospectus.

³ This includes (i) the secondary packaging activity performed in Haverhill for certain Sanofi finished products that were historically included in API Solutions / Sanofi, and in complex chemical synthesis and (ii) the quality testing activities for Sanofi products in the UK (Brexit), also handled in Haverhill.

contractual relationship with Sanofi, as well as additional volumes for API Solutions contributing to the improved absorption of fixed costs, the expansion of the industrial performance program, and a positive mix effect driven by additional CDMO net sales.

Core EBITDA amounted to €70.3 million, increasing by €33.6 million versus the same period in 2021. The **Core EBITDA margin** improved by 608 bps to 14.5%, mainly reflecting improvement in the gross profit ratio, partially offset by the higher operating expenses attributable to the normalized cost structure required to run EUROAPI's business independently from Sanofi.

Net income amounted to €16.7 million in H1-2022.

Restated financial performance⁴

Note: All commentary in this section compares H1-2022 historical consolidated financial information and H1-2021 restated performance indicators.

EUROAPI delivered a strong commercial performance during the first half of 2022, with **net sales** increasing 10.1% to €483.8 million on a reported basis.

Net sales per type of activity

<i>(in € millions)</i>	H1-2022	H1-2021	Change
API Solutions - Other clients	166.6	144.4	+15.3%
API Solutions – Sanofi	195.1	195.0	+0.0%
API Solutions	361.6	339.4	+6.5%
CDMO - Other clients	69.8	66.4	+5.2%
CDMO – Sanofi	52.3	33.5	+56.0%
CDMO	122.2	100.0	+22.2%
Net sales	483.8	439.4	+10.1%
<i>Total net sales - Other clients</i>	<i>236.4</i>	<i>210.9</i>	<i>+12.1%</i>
<i>Total net sales - Sanofi</i>	<i>247.4</i>	<i>228.5</i>	<i>+8.3%</i>
Other revenues	2.0	1.6	+20.6%

⁴ Restated performance indicators have been prepared for the six months ended June 30, 2021, to provide investors with a better understanding of the Group's performance, taking into account the impacts of the Prior Reorganization Transactions as part of the separation from the Sanofi group, and of the changes in the Group's performance and the factors that could influence future performance. The restated performance indicators have not been independently reviewed or audited by the Statutory Auditors. Please refer to the Section 8.1.4(b) "Restated performance indicators that take into account the new EUROAPI business model from the Prior Reorganization Transactions" of the French version of the listing Prospectus.

A full reconciliation of the restated performance indicators for the first half of 2021 is available on EUROAPI's website: <https://www.euroapi.com/en/node/312>

API Solutions

API Solutions sales reached €361.6 million, up +6.5% driven by growth in revenues from Other clients' (+15.3%) and stable sales to Sanofi (+0.0%).

Sales to Other clients primarily benefited from an increase in volumes sold to both new and existing customers. Volumes started to normalize with existing clients for certain API families (notably alkaloids and anti-addiction treatments) due to the lower prevalence of Covid-19 while additional sales were generated by several newly signed or extended contracts. In the context of rising inflation, the price adjustment strategy was intensified. The initial effects seen in the second quarter of 2022 are expected to continue in the second half of the year.

Sales to Sanofi remained broadly stable during the period. As defined in the Global Manufacturing and Supply Agreement entered into with Sanofi, raw material pass-through, energy price sharing and performance sharing clauses were activated during the first half of the year.

CDMO

CDMO sales experienced strong momentum, up +22.2% to €122.2 million. Sales growth was mainly driven by sales to Sanofi, which were up +56.0% while sales to Other clients increased by a steady +5.2%.

Sales to Other clients primarily benefited from the ramp-up of a contract with a US biotech following the production of the first commercial batches in H2-2021. This increase was partially offset by a high basis of comparison in H1-2021 as EUROAPI sold several batches of a Covid-19 related treatment, which will be manufactured during the second half of this year. Several new CDMO projects won in 2021 started to generate revenue during the period. Given the milestone-based nature of the development projects, CDMO project revenues are expected to be phased towards subsequent periods.

Continuous off-take of commercial products and late-stage pipeline fueled **sales to Sanofi**. The CDMO portfolio for Sanofi is relatively more mature (skewed toward Phase 2 and 3) as projects were pre-existing before the finalization of the carve-out. New contracts won in 2021 and thereafter in H1-2022, started to generate revenue during the period.

Net sales per type of molecule

<i>(in € millions)</i>	H1-2022	H1-2021	Change
Large molecules	47.9	9.0	+431.1%
Highly potent molecules	47.1	50.6	-6.9%
Biochemistry molecules derived from fermentation	65.4	75.4	-13.2%
Complex chemical synthesis molecules	323.4	304.4	+6.2%
Net sales	483.8	439.4	+10.1%
Other revenues	2.0	1.6	+20.6%

Large molecules saw a sustained level of customer demand for both peptides and oligonucleotides, notably through the continued ramp-up of a CDMO contract with a US biotech (building blocks for a commercial oligonucleotide), good momentum on the Sanofi portfolio and new CDMO projects won in 2021 that are starting to incrementally deliver. The business delivered a strong +431.1% increase to reach €47.9 million in net sales.

Highly potent molecules were down -6.9% to €47.1 million experiencing an increase in prostaglandins sales which were more than offset by the impact of lower demand for veterinary hormones.

Biochemistry molecules derived from fermentation decreased by -13.2% to €65.4 million due to several factors, notably a one-off industrial process issue on vitamin B12 (since rectified) and the transformation of the Brindisi site from an API Solutions anti-infective production to a CDMO fermentation activity. This resulted in the launch of a repurposing program for the site.

Complex chemical synthesis molecules delivered strong +6.2% sales growth to €323.4 million, fueled by API Solutions. During the first half, the business benefited from the normalization of volumes on certain classes of APIs, together with the initial effects of the price adjustment strategy in the context of rising inflation for both Sanofi and Other clients. Conversely, on the CDMO front, several batches related to a Covid-19 treatment were manufactured and sold in H1-2021 but not this half, generating a high basis of comparison.

Earnings

Gross profit reached €97.7 million, up +19.9%, fueled by efficiency initiatives (price adjustments and industrial performance plan), by higher volumes enabling better absorption of the Company's cost structure, and a better product mix. Taken together, these initiatives more than offset cost base inflation.

Operating expenses increased due to non-recurring items relating to the Company's listing on Euronext Paris as well as higher R&D costs reflecting the setting up of the structures required to support the growth of the CDMO business. These non-recurring items were excluded from Core EBITDA and amounted to €9.6 million in H1-2022.

Core EBITDA increased by +20.2% to €70.3 million on a reported basis benefiting from the improvement in gross profit. **Core EBITDA margin** was 14.5%, increasing by 128 bps compared with the same period last year.

Core Free Cash Flow and net debt

Core Free Cash Flow amounted to -€40.2 million in H1-2022, not yet reflecting the normalized cash flow generation of the business, which would come from 2023 onward. Whereas Core EBITDA increased to €70.3 million in H1-2022, in the light of net sales growth and improved gross profit, this was more than offset by the combined effect of the settlement during H1-2022 of around €30 million of payables outstanding at the end of 2021, corresponding to the 2021 Prior Reorganization Transactions (one-time event), the usual increase in the inventory level at the end of June (before manufacturing sites summer maintenance) for around €26 million and investments for circa €51 million, in line with Company's growth strategy.

Net cash was €20.2 million. EUROAPI benefits from a strong financial flexibility with a minimal drawdown (~€10 million) on June 30, 2022, from its Revolving Credit Facility amounting to €451 million.

Environment, Social and Governance update

Several key milestones were achieved during the first half of the year, setting the foundations for a robust ESG trajectory:

Environment

- 66% of EUROAPI sites are now ISO 14001 and ISO 50001 certified, putting the Company on track to reach its goal of having 100% of sites certified by 2023.
- Initiation of the construction of the biomass boiler in Elbeuf, which will enable EUROAPI to secure a significant portion of its 2030 commitment to a 30% reduction in CO₂ emissions (scopes 1 and 2) versus 2020 level, cutting emissions by around 20,000t CO₂ by 2026.

Social

- Success of the first global employee shareholding plan to which more than 67% of eligible employees⁵ subscribed, notably nearly 92% in France and 70% in Germany, fostering engagement toward company-wide strategic ambitions.
- EUROAPI signed the Global Responsible Care® Charter to illustrate its support for the safe management of chemicals throughout their life cycles, the promotion

⁵ On May 6, 2022, the Company's Board of Directors decided the principle of a share capital increase reserved for eligible employees of the companies that are members of the EUROAPI Group Savings Plan, under the 23rd decision of the sole shareholder of EUROAPI of March 30, 2022.

of their role in improving quality of life and their contribution to sustainable development.

- New corporate culture and values are being rolled out, to create a EUROAPI identity based on four pillars centered around taking ownership, collective achievement, customer centricity and a working environment promoting a caring and inclusive approach.

Governance

- Creation of the ESG Committee chaired by Cécile Dussart with the following two objectives:
 - reviewing the Group's commitments to sustainable development, aligned with its specific business challenges, strategy and the expectations of stakeholders;
 - monitoring the achievement of ESG objectives, the gradual implementation of the ESG policy, and assessing the Company's contribution to sustainable development.
- The Board of Directors has now been completed with the appointment of Rodolfo Savitzky (Chief Financial Officer and member of the Executive Board of SoftwareONE and former Chief Financial Officer of Lonza) as an independent Board member becoming effective on September 1, 2022, and the appointment of two employee representatives (Marie-Isabelle Penet and Kévin Rodier).
- The compensation policy of the EUROAPI Executive Committee includes an ESG performance criterion, that will also be rolled out to the entire Extended Leadership Team in 2023.
- Essential tools and procedures were implemented such as the Company Code of Ethics and Supplier Code of Conduct.
- EUROAPI joined the United Nations Global Compact initiative to show its commitment to meeting fundamental responsibilities in its way of doing business in the areas of human rights, labor, environment, and anti-corruption.

Corporate updates

Successful listing on Euronext Paris

On May 6, 2022, EUROAPI announced the success of its listing on Euronext Paris and its first day of trading as an independent company, with Sanofi, EPIC Bpifrance and L'Oréal respectively holding around 30%, 12%⁶ and 5% of the share capital and voting rights of EUROAPI⁷.

⁶ EPIC Bpifrance, acting on behalf of the French State in accordance with the Convention French Tech Souveraineté dated December 11, 2020, agreed to purchase 12% of EUROAPI's share capital from Sanofi at a price equal to the lower of (i) the volume-weighted average price ("VWAP") of EUROAPI's share capital over a period of 30 consecutive trading days beginning on the first day of trading on May 6, 2022, multiplied by the number of shares acquired, and (ii) €150 million. The purchase was completed for the latter amount.

⁷ EPIC Bpifrance and Sanofi have committed to a two-year lock-up period starting from the settlement and delivery date of the EUROAPI shares sold by Sanofi to EPIC Bpifrance (i.e., June 17, 2022) and L'Oréal has committed to a one-year lock-up period starting from May 10, 2022, in each case subject to the customary exceptions.

On June 20, 2022, EUROAPI was included in the SBF 120 index, one of the Paris stock exchange's flagship indices, and the CAC Mid 60 index, representing the 60 largest French equities after the CAC 40 and the CAC Next 20.

Outlook and guidance

The outlook for the full year is based on several assumptions:

- Continuation of the general inflationary environment requiring the highest management attention;
- Continuation of the commercial strategy through price adjustments expected to fully materialize during the second half of the year;
- Ability to pursue operational and industrial measures to contain cost increases;
- Finalization of the energy hedging as per EUROAPI policy;
- Minimal net sales and procurement exposure to Russia and Ukraine.

Assuming the current market conditions do not materially change (economic environment and/or geopolitical situation), EUROAPI confirms its 2022 guidance:

- Consolidated net sales of around €1 billion;
 - CDMO sales ranging from 25% to 30%;
 - Sanofi sales: reduced dependency compared to 2021;
- Core EBITDA margin equal to or greater than 14%;
- Capex guidance ⁸ is updated to circa 14% of net sales to support growth in a highly inflationary environment.

In the current context, EUROAPI remains confident in achieving its mid-term financial objectives.

Presentation of 2022 half-year results

An analysts' conference call will be held by EUROAPI's management today at 2:00 p.m. CET via an audio webcast (live and replay) and the results presentation will be available on the corporate website.

EUROAPI will also publish on its website today its half-year financial report for the six months ended June 30, 2022.

The results presentation, webcast information and 2022 half-year report will be available on: <https://www.euroapi.com/en/investors/publications-et-evenements/results>

⁸ Defined as acquisitions of property, plant and equipment and intangible assets in the consolidated statement of cash flows excluding acquisition of intangibles related to the Prior Reorganization Transactions and fully financed by Sanofi, divided by the Net Sales of the company during the same period.

Financial Calendar

September 8-9, 2022: Berenberg Pan-European Discovery Conference

September 27, 2022: JP Morgan CEO Calls Series

November 16, 2022: BNP Paribas Exane MidCap CEO Conference

March 8, 2023 (before market): 2022 Full-Year Results

About EUROAPI

EUROAPI is focused on reinventing active ingredient solutions to sustainably meet customers' and patients' needs around the world. We are a leading player in active pharmaceutical ingredients with approximately 200 products in our portfolio, offering a large span of technologies, while developing innovative molecules through our Contract Development and Manufacturing Organization (CDMO) activities.

Taking action for health by enabling access to essential therapies inspires our 3,350 people every day. With strong research and development capabilities and six manufacturing sites all located in Europe, EUROAPI ensures API manufacturing of the highest quality to supply customers in more than 80 countries. EUROAPI is listed on Euronext Paris; ISIN: FR0014008VX5; ticker: EAPI). Find out more at www.euroapi.com and follow us on [LinkedIn](#).

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Forward-looking statements

Certain information contained in this press release is forward looking and not historical data. These forward looking statements are based on opinions, projections and current assumptions including, but not limited to, assumptions concerning the Group's current and future strategy, financial and non-financial future results and the environment in which the Group operates, as well as events, operations, future services or product development and potential. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans" and similar expressions. Forward looking statements and information do not constitute guarantees of future performances, and are subject to known or unknown risks, uncertainties and other factors, a large number of which are difficult to predict and generally outside the control of the Group, which could cause actual results, performances or achievements, or the results of the sector or other events, to differ materially from those described or suggested by these forward-looking statements. These risks and uncertainties include those that are indicated and detailed in Chapter 3 "Risk factors relating to the issuer" of the prospectus approved by the French Financial Markets Authority (Autorité des marchés financiers, AMF) on March 31, 2022, under number 22-076. These forward-looking statements are given only as of the date of this press release and the Group expressly declines any obligation or commitment to publish updates or corrections of the forward-looking statements included in this press release in order to reflect any change affecting the forecasts or events, conditions or circumstances on which these forward-looking statements are based.

Other Information

Some of the financial information contained in this press release is not directly extracted from the Group's accounting systems or records and is not calculated in accordance with IFRS (International Financial Reporting

Standards). These alternative performance indicators are therefore not IFRS accounting indicators. This information has not been independently reviewed or verified by EUROAPI's auditors.

Appendices:

Appendix 1: *Consolidated income statements*

Appendix 2: *Consolidated balance sheet*

Appendix 3: *Consolidated statements of cash flows*

Appendix 4: *Restated key performance indicators*

Appendix 5: *Reconciliation of consolidated operating income (EBIT) to restated Core EBITDA*

Appendix 6: *Reconciliation of cash flow conversion to Core Free Cash Flow*

Appendix 7: *Definition of non-GAAP indicators*

Appendix 1: Consolidated income statements

<i>(in € millions)</i>	H1-2022	H1-2021
Net sales	483.8	434.7
Other revenues	2.0	—
Cost of sales	(388.1)	(383.1)
Gross profit	97.7	51.7
Selling and distribution expenses	(17.6)	(12.7)
Research and development expenses	(11.4)	(10.0)
Administrative and general expenses	(40.0)	(25.3)
Other operating income	2.4	—
Other operating expenses	(0.2)	(2.0)
Restructuring costs and similar items	(4.8)	(0.8)
Other gains and losses, and litigation	—	—
Operating income	26.1	0.9
Financial expenses	(2.4)	(1.1)
Financial income	0.1	0.1
Income/(loss) before tax	23.8	(0.1)
Income tax expense	(7.0)	(1.0)
Net income/(loss)	16.7	(1.1)
Attributable to owners of the parent	16.7	(1.1)
Attributable to non-controlling interests	—	—
Average number of shares outstanding (in millions) ^(a)	92.8	90.0
Average number of shares after dilution (in millions) ^(a)	93.2	90.0
- Basic earnings per share (in euros)	0.18	(0.01)
- Diluted earnings per share (in euros)	0.18	(0.01)

(a) Earnings per share for the six months ended June 30, 2021, is calculated on the basis of the average number of EUROAPI shares outstanding as derived from the retrospective recognition of the EUROAPI Prior Reorganization Transactions (see Note A.2. of the 2021 consolidated financial statements). Diluted earnings per share for periods in which there was a net loss is presented as equivalent to basic earnings per share.

Appendix 2: Consolidated balance sheet

<i>(in € millions)</i>	June 30, 2022	December 31, 2021 <small>(a)</small>
Property, plant and equipment	580.4	586.1
Right-of-use assets	48.2	45.6
Intangible assets	25.8	26.8
Other non-current assets	15.1	9.7
Deferred tax assets	48.6	48.8
Non-current assets	718.1	717.0
Inventories	590.0	569.5
Trade receivables	266.6	238.9
Other current assets	79.6	86.4
Cash and cash equivalents	35.9	10.3
Current assets	972.1	905.0
Total assets	1,690.1	1,622.0
Equity attributable to owners of the parent	1,111.7	1,015.9
Equity attributable to non-controlling interests	—	—
Total equity	1,111.7	1,015.9
Non-current lease liabilities	21.6	18.7
Provisions	187.9	195.0
Other non-current liabilities	—	—
Deferred tax liabilities	5.7	5.6
Non-current liabilities	215.2	219.4
Trade payables	196.9	189.6
Other current liabilities	146.0	191.7
Current lease liabilities	4.4	4.0
Short-term debt and other financial liabilities	15.9	1.4
Current liabilities	363.2	386.7
Total equity and liabilities	1,690.1	1,622.0

(a) Amended to reflect the finalization of analyses relating to the Prior Reorganization Transactions carried out during 2021 (see Note 2 to Condensed Half-Year Consolidated Financial Statements).

Appendix 3: Consolidated statement of cash flows

<i>(in € millions)</i>	H1-2022	H1-2021
Net income/(loss) attributable to owners of the parent	16.7	(1.1)
Depreciation, amortization and impairment of property, plant and equipment, right-of-use assets and intangible assets	34.7	33.3
Net change in deferred taxes	(0.2)	(4.9)
Other profit or loss items with no cash effect and reclassification of interest ^(a)	9.9	(1.2)
Operating cash flow before changes in working capital	61.1	26.1
(Increase)/decrease in inventories	(25.5)	(30.5)
(Increase)/decrease in trade receivables	(4.3)	47.7
Increase/(decrease) in trade payables	(29.6)	(6.6)
Net change in other current assets and other current liabilities	2.4	(7.6)
Net cash provided by operating activities	4.1	29.1
Acquisitions of property, plant and equipment and intangible assets ^(b)	(79.8)	(40.2)
Acquisitions of consolidated undertakings and equity-accounted investments	—	—
Proceeds from disposals of property, plant and equipment, intangible assets and other non-current assets, net of tax	—	—
Net change in other non-current assets	—	—
Net cash used in investing activities	(79.8)	(40.2)
Capital increases	83.7	—
Dividends paid	—	—
Repayment of lease liabilities	(2.2)	(1.4)
Net change in short-term debt	14.5	—
Finance costs paid ^(c)	(2.7)	(0.6)
Acquisition and disposal of treasury shares	(0.2)	—
Net contribution of Sanofi to the EUROAPI Group ^(d)	8.9	15.1
Net cash provided by financing activities	101.9	13.1
Impact of exchange rates on cash and cash equivalents	(0.6)	—
Net change in cash and cash equivalents	25.6	2.1
Cash and cash equivalents at beginning of period	10.3	—
Cash and cash equivalents at end of period	35.9	2.1

(a) In 2022, this line mainly comprised changes in non-current provisions, unrealized exchange gains and losses and free share plan expense.

(b) This line includes the acquisition during the period and the payment of supplier invoices relating to 2021 capital expenditure at the beginning of 2022.

(c) Finance costs paid include interest, realized foreign exchange gains and losses, and interest on lease liabilities

(d) For 2021, this amount corresponds to the situation vis-à-vis the controlling entity up to and including the completion date of the Prior Reorganization Transactions. For 2022, this amount corresponds to the cash flows on the current account with the controlling entity until the effective spin-off date. As of the spin-off date, the current account receivable was reimbursed in full by Sanofi.

Appendix 4: Restated key performance indicators^(a)

<i>(in € millions)</i>	H1-2022	H1-2021	Change
Net sales	483.8	439.4	+10.1%
Gross profit	97.7	81.5	+19.9%
<i>Gross profit (%)</i>	20.2%	18.6%	<i>n.a.</i>
Core EBITDA	70.3	58.5	+20.2%
<i>Core EBITDA (%)</i>	14.5%	13.3%	<i>n.a.</i>

- (a) Restated performance indicators have been prepared for the six months ended June 30, 2021, to provide investors with a better understanding of the Group's performance, taking into account the impacts of the Prior Reorganization Transactions as part of the separation from the Sanofi group, and of the changes in the Group's performance and the factors that could influence future performance. The restated performance indicators have not been independently reviewed or audited by the Statutory Auditors. Please refer to the Section 8.1.4(b) "Restated performance indicators that take into account the new EUROAPI business model from the Prior Reorganization Transactions" of the French version of the listing Prospectus. A full reconciliation of the restated performance indicators for the first half of 2021 is available on EUROAPI's website: <https://www.euroapi.com/en/node/312>

Appendix 5: Reconciliation of consolidated operating income (EBIT) to restated Core EBITDA

(In € million)	H1-2022	H1-2021
Consolidated operating income (EBIT)	26.1	0.9
(+) Depreciation, amortization and impairment ^(a)	34.7	33.3
Consolidated operating income before depreciation, amortization and impairment (EBITDA)	60.8	34.3
(+) Restructuring costs and similar items excluding depreciation, amortization and impairment	4.8	0.8
(+) Others ^(b)	4.8	1.7
Core EBITDA	70.3	36.7
Restatements^(c)	0.0	21.8
Restated Core EBITDA	n.a.	58.5

(a) Corresponds to “Depreciation, amortization and impairment of property, plant and equipment, intangible assets and right-of-use assets” in the consolidated statement of cash flows, restated to include amortization and impairment relating to restructuring costs and similar items.

(b) For the first half 2022, the amount corresponds to expenses related to the initial listing of EUROAPI, such as those resulting from the exceptional allocation of free shares to certain executives (see “Exceptional allocation of free shares to certain executives in connection with the listing” of section 14.1.3 “Allotment of stock options” of the French version of the listing Prospectus), the “co-investment” plan (described in Section 14.1.2 “Remuneration of the corporate officers” of the French version of the listing Prospectus) and the employee shareholding plan (described in Section 16.3.4 “Employee stock ownership plans” of the French version of the listing Prospectus). For the first half of 2021, the amount corresponds to other operating expenses as disclosed in the Note 6.3 of the half-year condensed financial statements.

(c) Restated performance indicators have been prepared for the six months ended June 30, 2021, to provide investors with a better understanding of the Group’s performance, taking into account the impacts of the Prior Reorganization Transactions as part of the separation from the Sanofi group, and of the changes in the Group’s performance and the factors that could influence future performance. The restated performance indicators have not been independently reviewed or audited by the Statutory Auditors. Please refer to the Section 8.1.4(b) “Restated performance indicators that take into account the new EUROAPI business model from the Prior Reorganization Transactions” of the French version of the listing Prospectus.

A full reconciliation of the Restated Performance indicators for the first half of 2021 is available on EUROAPI’s website: <https://www.euroapi.com/en/node/312>

Appendix 6: Reconciliation of cash flow conversion to Core Free Cash Flow

<i>(in € million)</i>	H1-2022	H1-2021
Cash flow generated by operating activities	4.1	29.1
Net change in other current assets and other current liabilities	(2.4)	7.6
Current taxes	7.3	5.9
Acquisition of property plant and equipment and intangible assets	(79.8)	(40.2)
Intangible assets related to carve out and IT set up of the Group ^(a)	28.4	—
Restructuring costs and similar items – inflows/outflows	—	—
Expenses relating to environmental provisions – inflows/outflows	2.2	7.1
Core Free Cash Flow	(40.2)	9.6
Core Free Cash Flow conversion (Core FCF/Core EBITDA)	(57.2)%	26.1 %

(a) The acquisition of intangible assets relating to the carve-out and fully financed by Sanofi are excluded from the calculation of Core Free Cash Flow (€28.4 million for the first half of 2022).

Appendix 7: Definition of non-GAAP indicators

EBITDA and Core EBITDA

EUROAPI monitors the operating performance of its operating segment on the basis of “Core EBITDA”, the key internal performance indicator monitored by the Group.

Definitions of EBITDA and Core EBITDA are provided under the Section 8.1.4.b in the French version of the listing Prospectus approved by the AMF on March 31, 2022, under number 22-076.

Core Free Cash Flow

Core Free Cash Flow conversion, or Core FCF conversion, is the Group’s key performance indicator to analyze its cash flows. This performance indicator is regularly tracked by the Group to analyze and evaluate its businesses and their trends, measure their performance, prepare earnings forecasts and make strategic decisions.

Definitions of Core Free Cash Flow and Core Free Cash Flow Conversion are provided in the Section 9.5.4 of the French version of the listing Prospectus approved by the AMF on March 31, 2022, under number 22-076.