

23 JULY 2024

# 2024 Half year results

Conference call for Investors and Analysts

Givaudan  
Human by nature



# Sales performance

Gilles Andrier  
Chief Executive Officer

# 2024 Half year results

## Strong financial performance

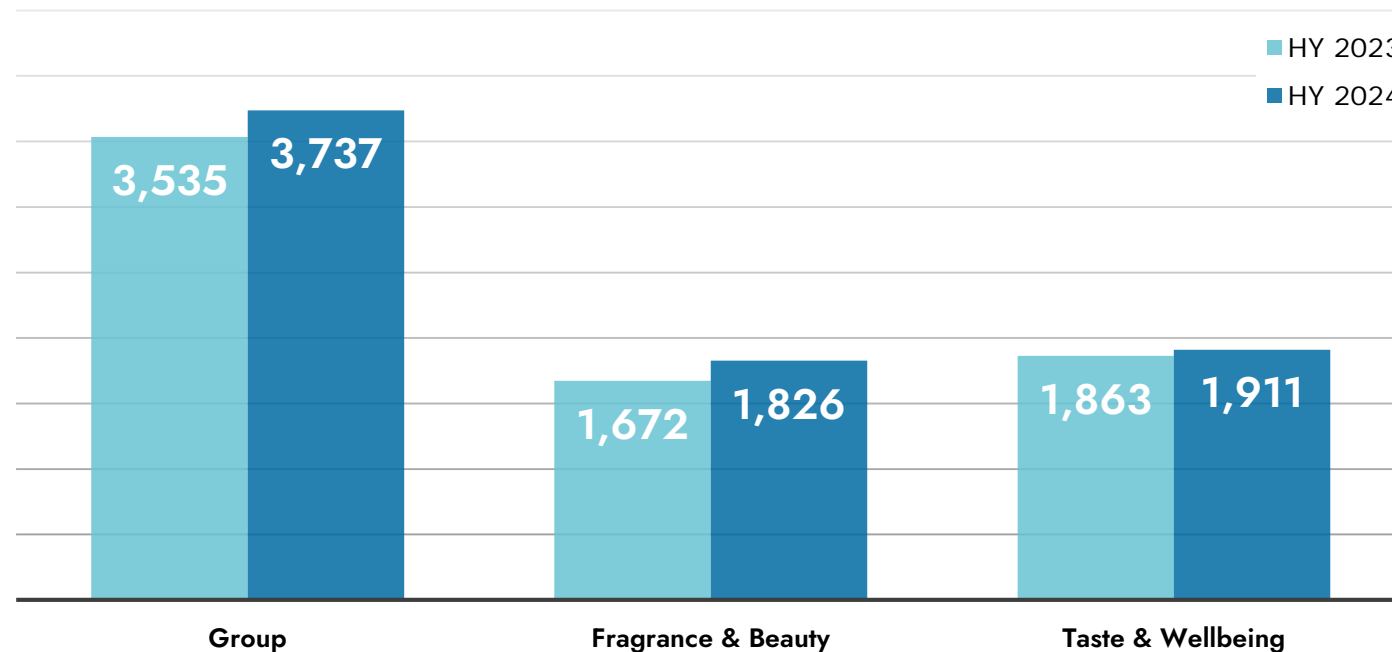
- Sales of CHF 3,737 million, an increase of 12.5% on a like-for-like\* basis and 5.7% in Swiss francs
- Sales performance demonstrates the global strength of Givaudan's business, with excellent growth across all business segments, geographies and customer groups
- Comparable EBITDA of CHF 929 million, a margin of 24.8% compared to 22.7% in 2023
- Net income of CHF 588 million, an increase of 30.9% over 2023
- Free cash flow of 197 million, or 5.3% of sales
- Change to the Executive Committee

\* Like-for-like: excludes the impact of currency, acquisitions and disposals

# Half year sales performance

## Strong growth across all markets

In CHF million



5.7%	9.2%	2.6%
12.5%	15.3%	9.9%
2.4%	6.4%	-0.9%

% 2024 growth in CHF

% 2024 growth on LFL\* basis

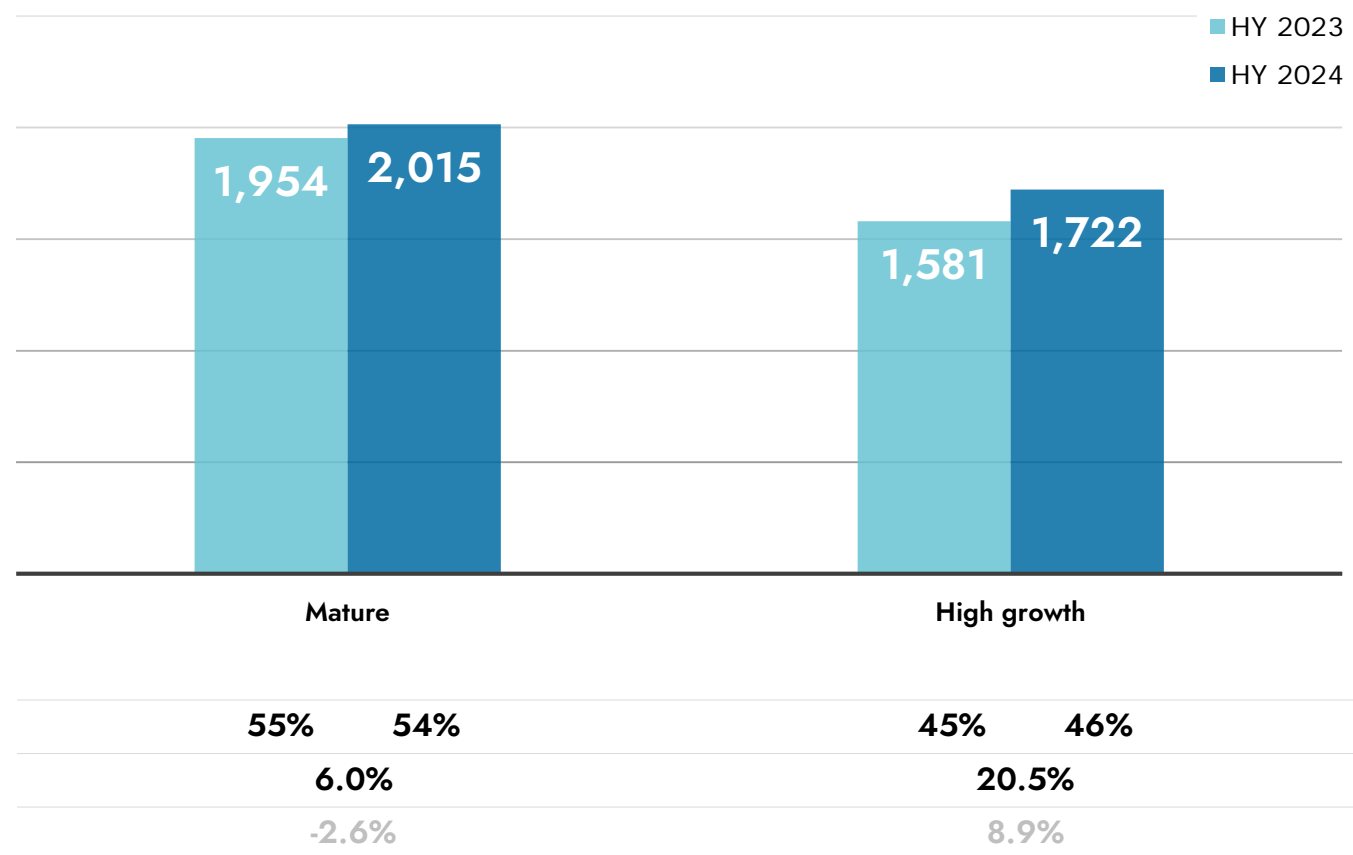
% 2023 growth on LFL\* basis

\* Like-for-like: excludes the impact of currency, acquisitions and disposals

# Sales evolution by market

## Excellent performance in high growth markets

In CHF million



% of total sales

% 2024 growth on LFL\* basis

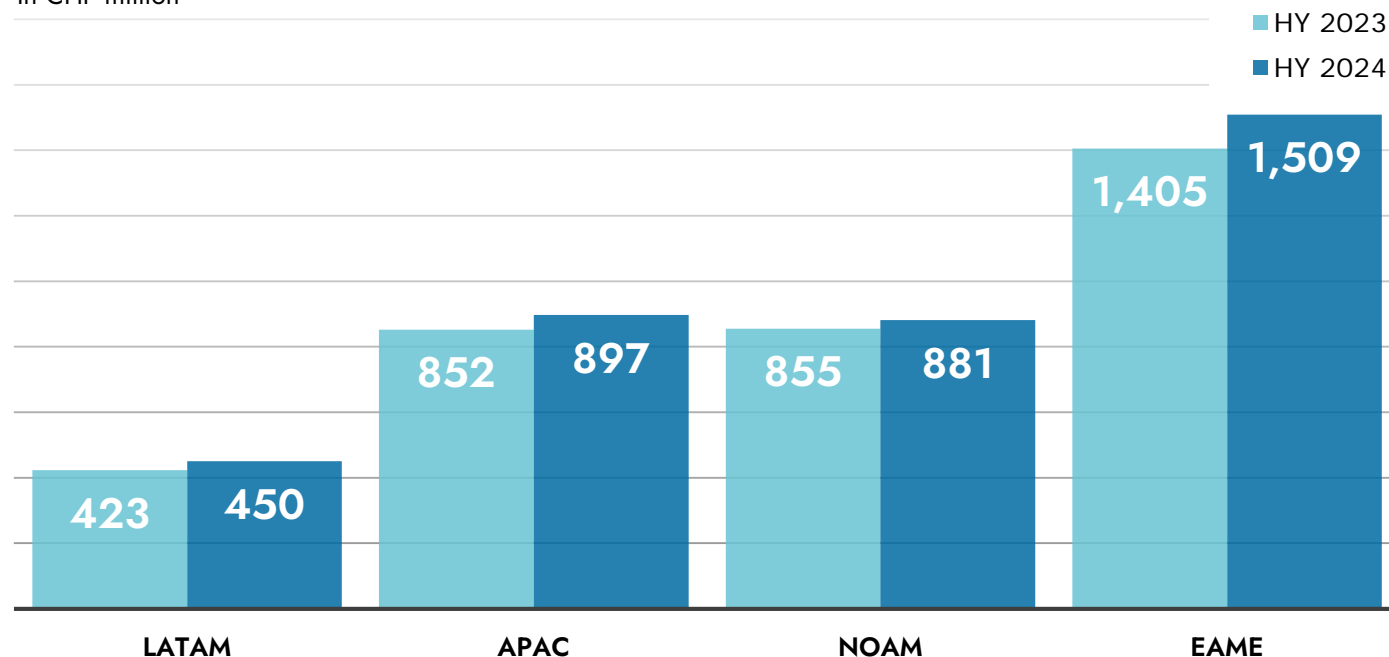
% 2023 growth on LFL\* basis

\* Like-for-like: excludes the impact of currency, acquisitions and disposals

# Sales evolution by region

## Strong growth in LATAM, APAC & EAME

In CHF million



6.5%	5.3%	2.9%	7.4%
31.5%	11.4%	5.9%	11.4%
11.1%	3.2%	-10.6%	8.5%

% 2024 growth in CHF

% 2024 growth on LFL\* basis

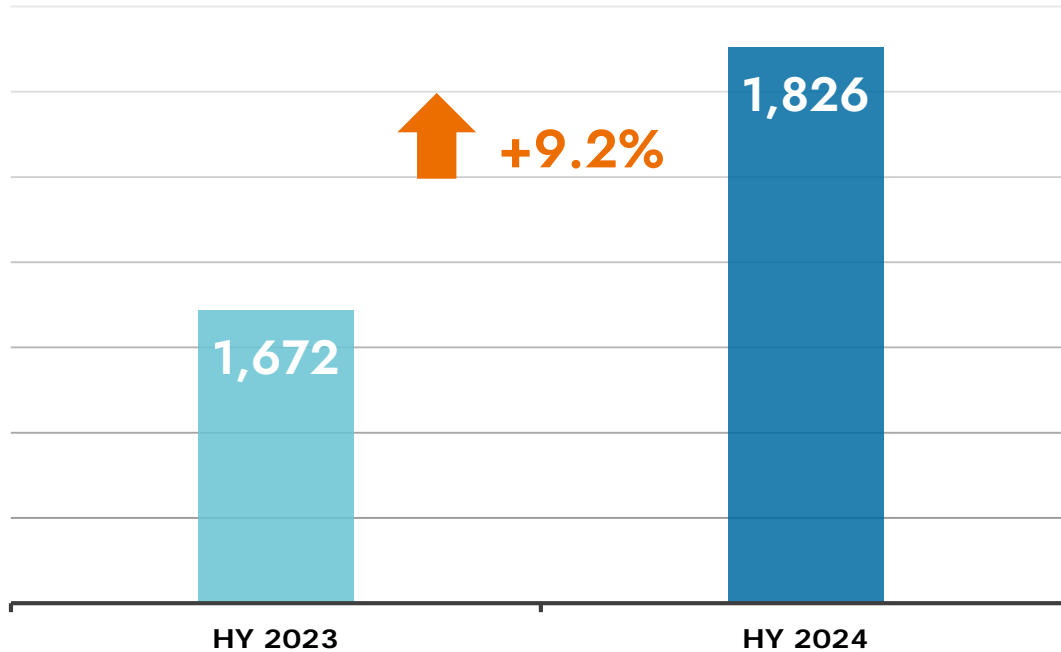
% 2023 growth on LFL\* basis

\* Like-for-like: excludes the impact of currency, acquisitions and disposals

# Fragrance & Beauty

## Sales growth of **15.3%** on a LFL\* basis

In CHF million



### Fine Fragrance sales increased by 14.9% LFL\*

- Excellent growth against a strong comparable of 16.2%
- Strong contribution from existing business and new wins

### Consumer Product sales increased by 17.3% LFL\*

- Double digit volume growth across all customer groups

### Sales of Fragrance Ingredients and Active Beauty increased by 8.0% LFL\*

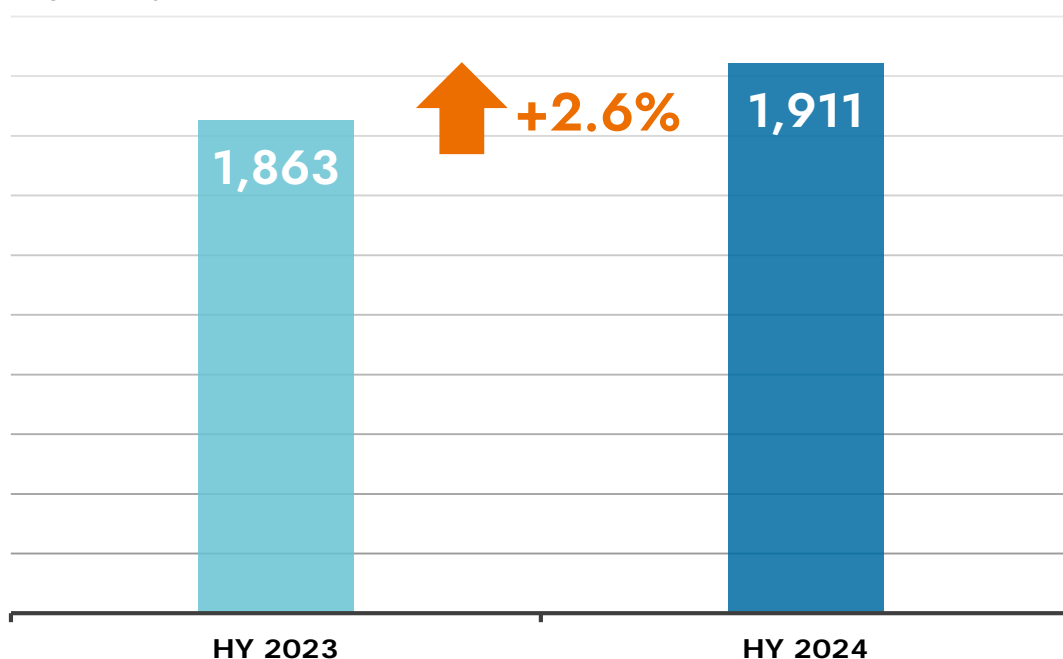
- Good momentum in Fragrance Ingredients and solid growth in Active Beauty

\* Like-for-like: excludes the impact of currency, acquisitions and disposals

# Taste & Wellbeing

## Sales growth of 9.9% on a LFL\* basis

In CHF million



### Sales by region

	2023 Sales Growth LFL*	2024 Sales Growth LFL*
Europe	3.6%	5.5%
South Asia, Middle East and Africa	19.1%	12.5%
North America	-11.7%	4.5%
Latin America	10.5%	32.6%
Asia Pacific	-5.0%	9.3%

### Sales Commentary

- Good volume growth across all markets and regions
- Double-digit growth in SAMEA against strong prior year comparable
- Strong double-digit growth in snacks and beverages, as well as good momentum in sweet goods, dairy and savoury

\* Like-for-like: excludes the impact of currency, acquisitions and disposals



# Addressing customer needs and consumer trends

## 2024 Half year innovation highlights



### Scentaurus™ Vanilla

Increasing creative possibilities to bring long-lasting freshness in fragrances



### New ingredients for alternative dairy

Natural, proprietary ingredient that provides creamy mouthfeel and body for both alternative dairy and reduced fat and sugar dairy products

### PrimalHyal™ 50 Life

The most sustainable low molecular weight hyaluronic acid within our Active Beauty portfolio



### Our customer-centric Health & Nutrition Hub

New digital platform boosting co-creative innovative wellness experiences that consumers will love



### Nympeal™

A game-changing ingredient to create white floral fragrances now available to all perfumers.



### New natural sweetness ingredient

Cost effective natural flavour ingredient for modulating sweetness that is globally compliant and can be used in a broad range of applications

# Operating performance

Tom Hallam  
Chief Financial Officer

# 2024 Half year results

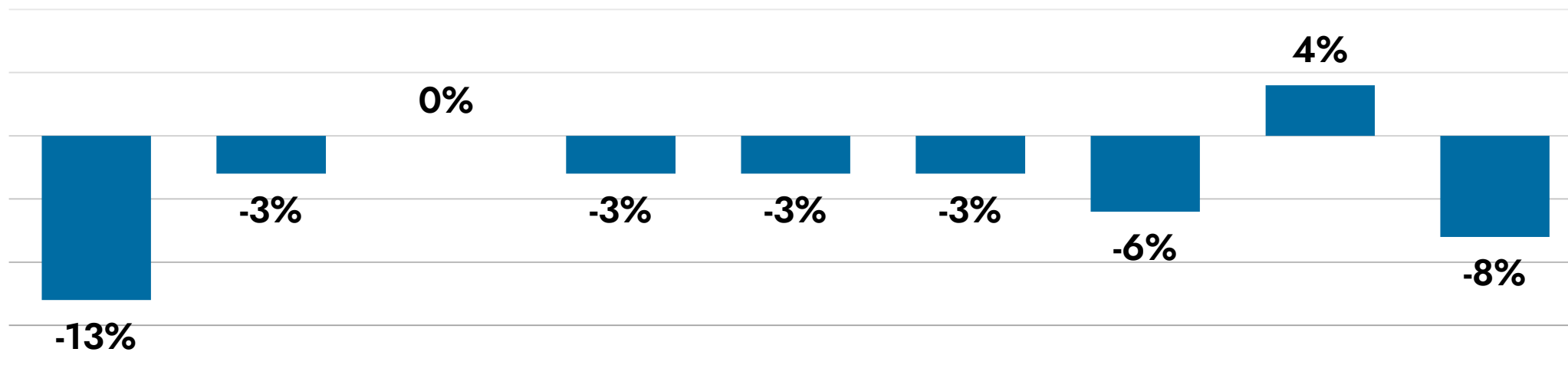
## Performance highlights

- Sales of CHF 3,737 million, an increase of 12.5% on a like-for-like\* basis and 5.7% in Swiss francs
- Reported EBITDA of CHF 906 million compared to CHF 763 million, with an EBITDA margin of 24.2% compared to 21.6% in 2023
- Comparable EBITDA margin of 24.8%, versus 22.7% in 2023
- Income before tax of CHF 700 million versus CHF 516 million in 2023, an increase of 35.5%
- Net income of CHF 588 million, an increase of 30.9% compared to 2023
- Free cash flow of 197 million, or 5.3% of sales, an improvement of CHF 93 million over 2023
- Net debt to EBITDA ratio at 2.9, compared with 3.7 as at 30 June 2023 and 2.9 as at 31 December 2023

\* Like-for-like: excludes the impact of currency, acquisitions and disposals

# Half year results

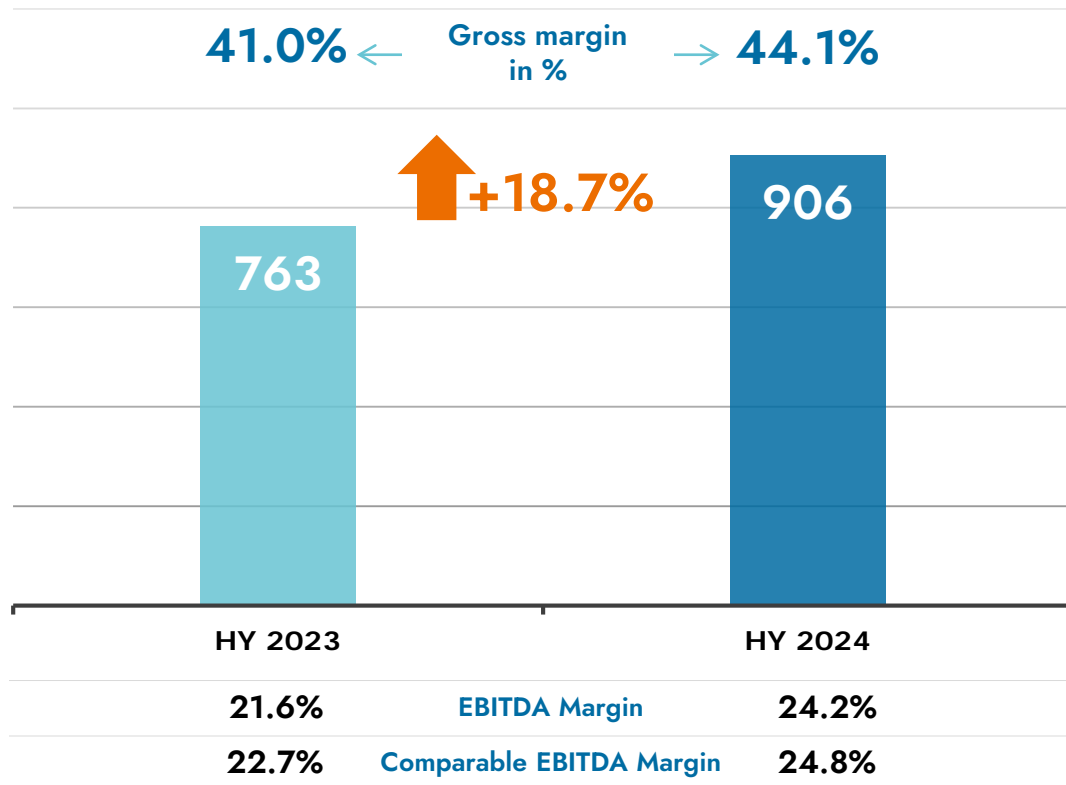
## Exchange rate development



	JPY	USD	GBP	EUR	SGD	BRL	CNY	MXN	IDR
HY 2024	0.58	0.89	1.13	0.96	0.66	0.17	12.34	5.21	0.56
HY 2023	0.67	0.91	1.13	0.99	0.68	0.18	13.16	5.02	0.61
Units	100	1	1	1	1	1	100	100	10,000

# Operating performance Group

EBITDA in CHF million



**Gross margin** of 44.1%, compared to 41.0% in 2023, driven by a higher cost absorption due to higher volumes as well as the margin improvement measures taken under the Group's Performance improvement programme initiated in 2023

**EBITDA** of CHF 906 million compared to CHF 763 million in 2023

Acquisition and restructuring costs of CHF 23 million, compared to CHF 40 million in 2023.

**EBITDA margin** of 24.2% compared to 21.6% in 2023, with the comparable margin at 24.8% versus 22.7% in 2023

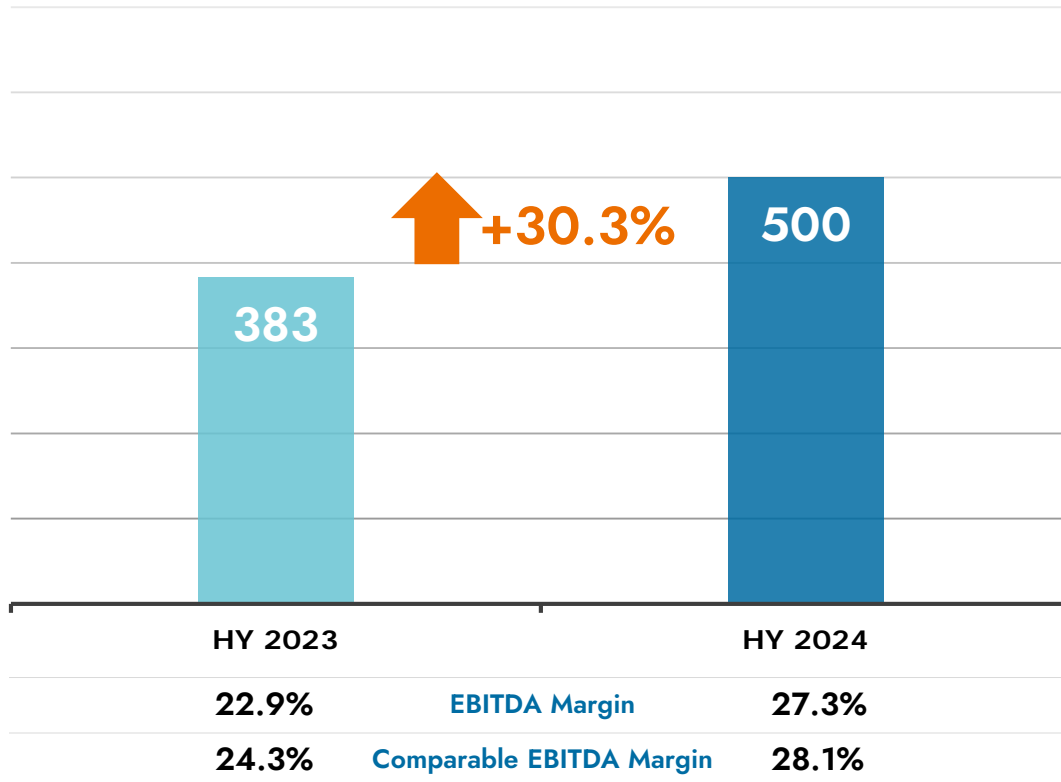
As % of sales



# Operating performance

## Fragrance & Beauty

EBITDA in CHF million



**EBITDA** of CHF 500 million, compared to CHF 383 million in 2023, an increase of 30.3%

Acquisition and restructuring costs of CHF 14 million, compared to CHF 23 million in 2023.

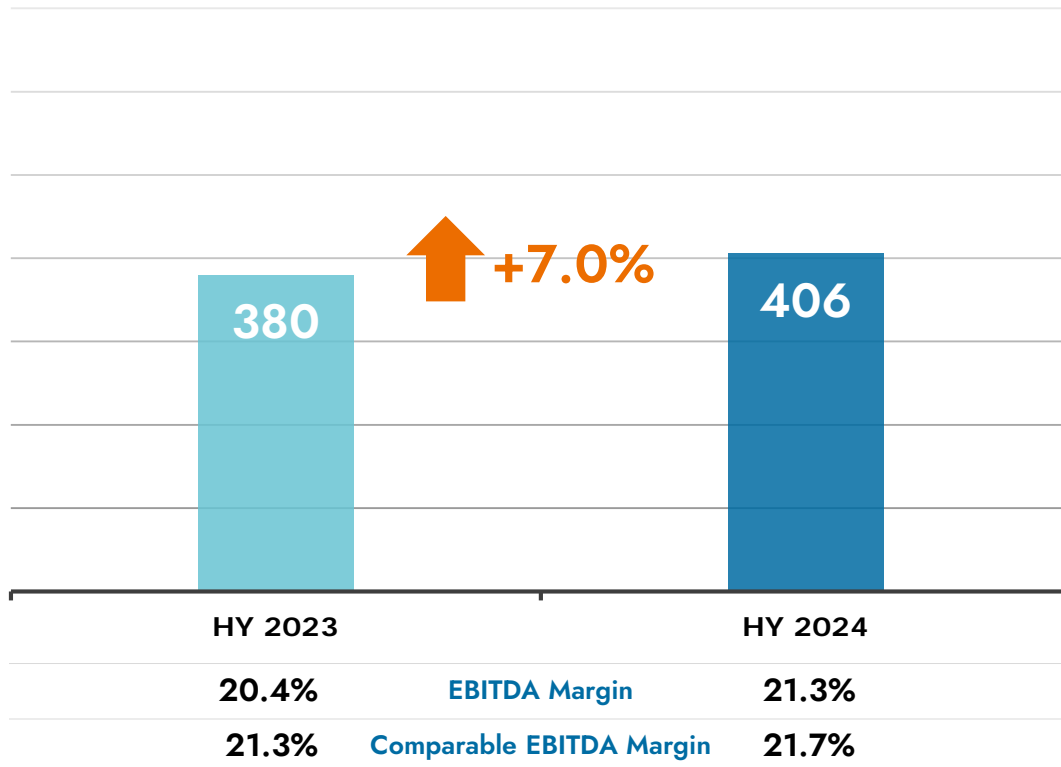
**EBITDA margin** of 27.3% compared to 22.9% in 2023, with the comparable EBITDA margin at 28.1% versus 24.3% in 2023

As % of sales

# Operating performance

## Taste & Wellbeing

EBITDA in CHF million



**EBITDA** of CHF 406 million, increased from CHF 380 million in 2023, an increase of 7.0%

Continued increases in natural input costs were offset by price increases

Acquisition and restructuring costs of CHF 9 million, compared to CHF 17 million in 2023, mainly related to costs incurred in relation to footprint optimisation

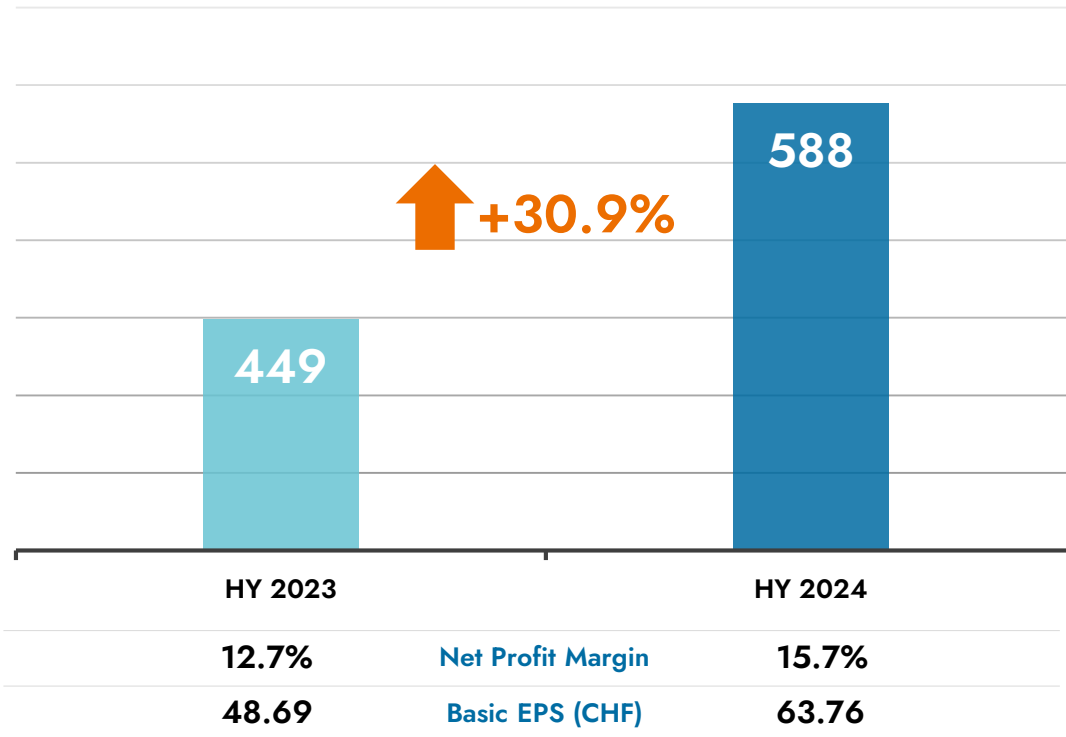
**EBITDA margin** of 21.3% compared to 20.4% in 2023, with the comparable EBITDA margin at 21.7% versus 21.3% in 2023

As % of sales

# Net income

## 15.7% of sales

In CHF million



**Income before tax** of CHF 700 million compared to CHF 516 million in 2023, an increase of 35.5%

**Net income** of CHF 588 million, or 15.7% of sales, versus CHF 449 million, or 12.7% of sales in 2023

Other financial income, net of expenses, were CHF 30 million in 2024 versus CHF 9 million of other financial expenses, net of income in 2023

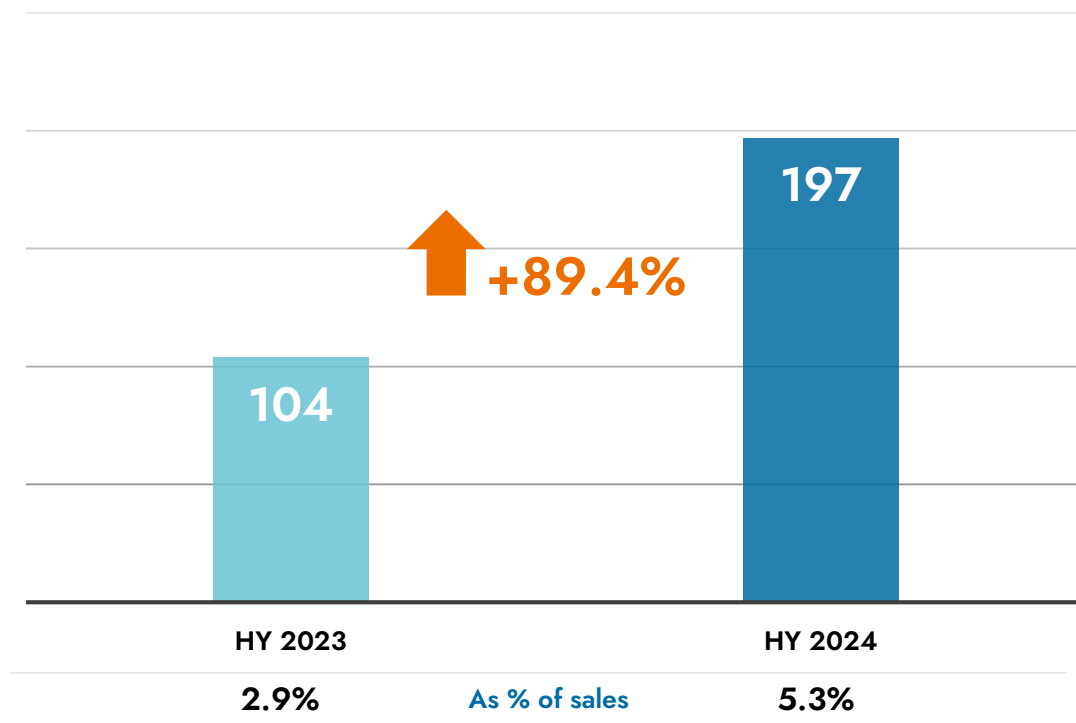
**Effective tax rate** of 16%, compared to 13% in 2023

**Basic EPS** of CHF 63.76 per share, versus CHF 48.69 in 2023

# Free cash flow

## Improvement driven by higher operating cash flow

In CHF million



**Free cash flow** of CHF 197 million, compared to CHF 104 million in 2023. Free cash flow is 5.3% of sales compared to 2.9% in 2023

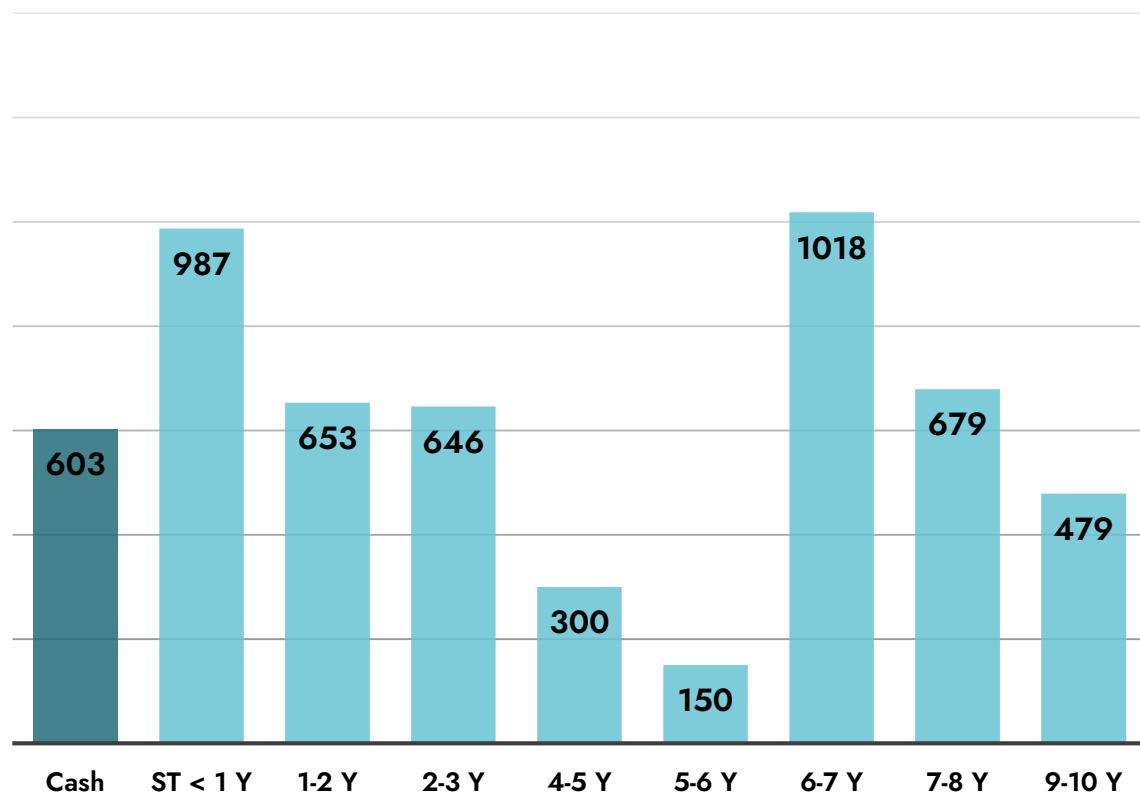
**Operating cash flow** of CHF 427 million, compared to CHF 340 million in 2023, an increase of 25.6%

**Total net investments** of CHF 127 million, or 3.4% of sales, compared to CHF 128 million, or 3.6% of sales in 2023

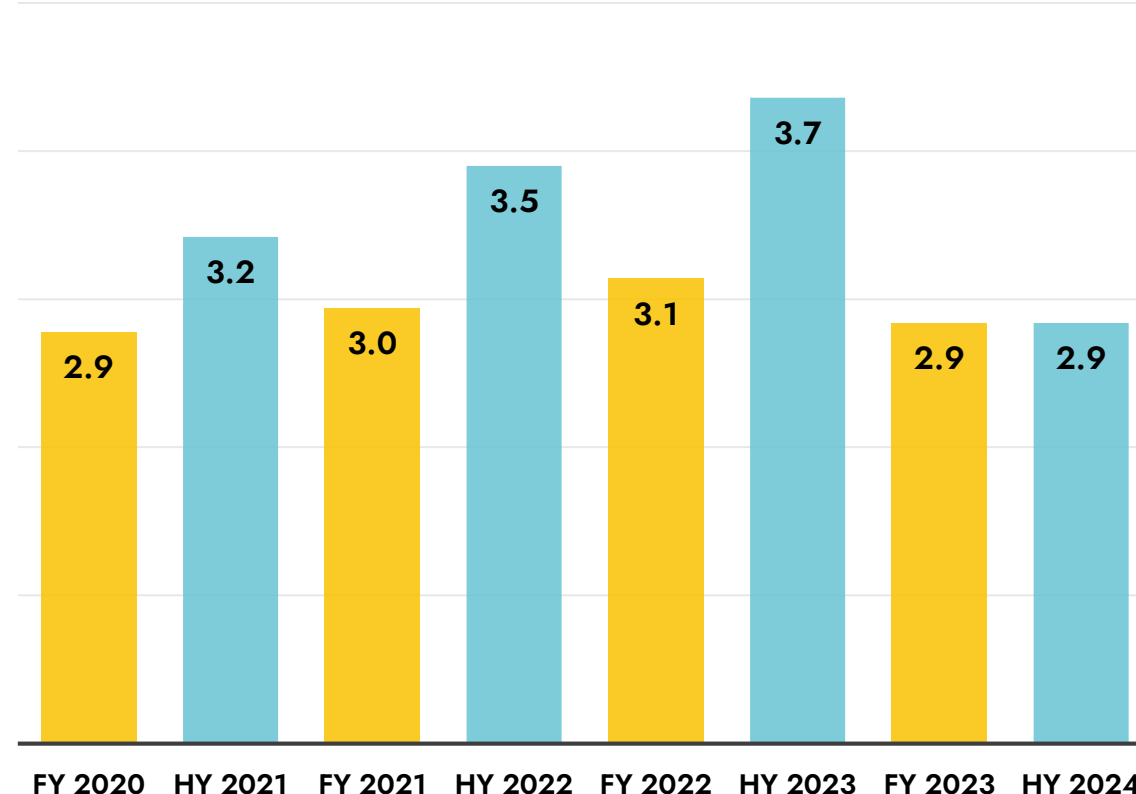
**Net working capital** of 29.1% of sales compared to 31.2% in 2023, as the Group continues to focus on improving management of working capital

# Balanced debt structure

## Debt maturities



## Net debt to EBITDA



- The weighted average effective interest rate for the Group was 1.96% as at 30 June 2024 compared to 1.69% in December 2023 and 1.83% in June 2023
- The net debt to EBITDA ratio was 2.9 as at 30 June 2024 compared to 3.7 in June 2023 and to 2.9 in December 2023



# 2025 Strategy and Outlook

Gilles Andrier  
Chief Executive Officer

# Strategy 2025

## Committed to Growth, with Purpose



# Strategy 2025

## Performance commitments

Sales growth

**4.0 – 5.0%**

2021 – 2025  
Average Like for Like<sup>1</sup> Sales Growth

Free cash flow

**>12% of Sales**

2021 – 2025  
Average FCF<sup>2</sup> as % of sales

Purpose commitments

**Purpose  
linked targets**

2021 – 2025  
Progress towards all published  
purpose targets

1. Like-for-like (LFL) is defined as: (a) sales calculated using the invoicing exchange rates of the prior year, (b) excluding sales of businesses acquired from the acquisition date until the period end date, up to 12 months from the acquisition date, and (c) excluding sales of the businesses disposed of from the disposal date until the period end date of the comparable prior period
2. Free Cash Flow (FCF) refers to operating cash flow after net investments, interest paid, lease payments and purchase and sale of own equity instruments

# 2024 Outlook

## Key themes review



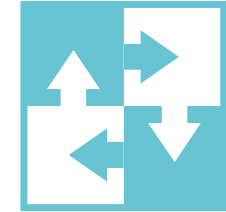
### 2024 outlook

- Very well positioned with our capabilities and our 2025 strategy
- The natural hedges of Givaudan provide balance in uncertain times
- Increase in input costs at a Group level expected to be minor in 2024, with continued pressure in some key naturals



### Performance improvement programme

- Sustained strong focus on operational excellence and on review of the manufacturing footprint, particularly in Taste & Wellbeing
- Continued focus on Business Continuity Planning to manage and adapt to volatile geo-political environment



### Financial impact

- Costs of CHF 50 million expected in 2024

Q&A



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