

Company news

Ad hoc announcement pursuant to article 53 LR
Geneva, 13 April 2023

2023 First quarter sales

Solid start to the year

“Our solid Q1 sales once again demonstrate the importance of the balance that Givaudan has across the different business segments, geographies and client groups. We have also demonstrated our continued focus and innovation programmes which allow our customers to bring great products to the market.”

Gilles Andrier, CEO

Sales performance

In the first three months of 2023 **Givaudan recorded sales of CHF 1,773 million**, an increase of 3.6% on a like-for-like (LFL) basis and a decrease of 0.4% in Swiss francs.

Givaudan started the year with good business momentum whilst maintaining its operations and global supply chain at a high level, despite the challenging external environment continuing to affect some parts of the business.

With sustained higher input costs in 2023, the Company is continuing to implement price increases in collaboration with its customers to fully compensate for the increases in input costs.

Fragrance & Beauty sales were CHF 837 million, an increase of 6.8% LFL¹ and an increase of 3.3% in Swiss francs.

On a business unit basis, Fine Fragrance sales increased by 20.9% LFL against a high prior year comparable growth of 17.4%, Consumer Products sales increased by 3.0% LFL and sales of Fragrance Ingredients and Active Beauty increased by 5.1% LFL.



Ad hoc announcement pursuant to article 53 LR
Geneva, 13 April 2023

The sales growth was driven by the volume increases in Fine Fragrance with sustained high levels of new business. In addition, pricing actions were implemented in all business units. The growth was achieved across all customer groups with particularly strong performance in the high growth markets.

Taste & Wellbeing sales were CHF 936 million, an increase of 1.0% LFL¹ and a decrease of 3.5% in Swiss francs.

On a regional basis, the sales performance was driven by Europe, which increased by 6.7% LFL, South Asia, Africa and the Middle East sales which increased by 23.4% and Latin America, where sales increased by 10.9% LFL. Sales in North America declined by 10.7% LFL and Asia Pacific declined by 3.8%. Pricing actions were implemented in all regions.

From a segment perspective Snacks, Beverages, and Sweet Goods all contributed to the growth.

Our mid and long term ambitions

Our 2025 strategy, 'Committed to Growth, with Purpose', is our intention to deliver growth in partnership with our customers, through creating inspiring products for happier, healthier lives and having a positive impact on nature, people and communities.

Ambitious targets are an integral part of this strategy, with the Company aiming to achieve organic sales growth of 4-5% on a like-for-like basis and free cash flow² of at least 12%, both measured as an average over the five-year period strategy cycle. In addition, we aim to deliver on key non-financial targets around sustainability, diversity and safety, linked to Givaudan's purpose.

Our bold and ambitious long-term purpose goals are defined in four domains: creations, nature, people and communities. Our ambitions include doubling our business through creations that contribute to happier, healthier lives by 2030, becoming climate positive before 2050, becoming a leading employer for inclusion before 2025 and sourcing all materials and services in a way that protects the environment and people by 2030.

Ad hoc announcement pursuant to article 53 LR
Geneva, 13 April 2023

Upcoming events

Half year results – 20 July 2023

Half year conference – 30 August 2023

Nine month sales – 12 October 2023

Investor Days – 5-6 October 2023

Full year results – 25 January 2024

Contact

Pierre Bénaich, Head of Investor and Media Relations

T +41 22 780 9053

E pierre.benaich@givaudan.com

Ad hoc announcement pursuant to article 53 LR
Geneva, 13 April 2023

Key Tables

Sales performance January to March

In millions of Swiss francs	2022		2023		Change %		2023	
	Sales as reported	LFL development ¹	Sales LFL ¹	LFL basis ¹	Acquisition impact (net)	Currency effects	Sales as reported	In Swiss francs
Group	1,780	64	1,844	3.6%		-71	1,773	-0.4%
Fragrance & Beauty	810	55	865	6.8%		-28	837	3.3%
Taste & Wellbeing	970	9	979	1.0%		-43	936	-3.5%

Sales January to March – Fragrance & Beauty

In millions of Swiss francs	2022	2023
	Sales growth LFL ¹	Sales growth LFL ¹
Fine Fragrances	17.4%	20.9%
Consumer Products	-2.3%	3.0%
Fragrance Ingredients and Active Beauty	8.2%	5.1%

Sales January to March – Taste & Wellbeing

In millions of Swiss francs	2022	2023
	Sales growth LFL ¹	Sales growth LFL ¹
Europe	12.9%	6.7%
South Asia, Middle East and Africa	10.9%	23.4%
North America	0.5%	-10.7%
Latin America	14.4%	10.9%
Asia Pacific	2.4%	-3.8%

Ad hoc announcement pursuant to article 53 LR
Geneva, 13 April 2023

Sales evolution by market – January to March

In millions of Swiss francs	2022		2023		Change %		2023	
	Sales as reported	LFL development ¹	Sales LFL ¹	LFL basis ¹	Acquisition impact (net)	Currency effects	Sales as reported	In Swiss francs
High growth markets	752	72	824	9.7%		-48	776	3.3%
Mature markets	1,028	-8	1,020	-0.8%		-23	997	-3.2%

Sales evolution by region – January to March

In millions of Swiss francs	2023		2022	Change %	
	Sales as reported	Sales as reported	Sales as reported	On LFL basis ¹	In Swiss francs
Latin America	206	197	197	10.9%	4.4%
Asia Pacific	422	424	424	4.9%	-0.5%
North America	432	476	476	-9.5%	-9.3%
Europe, Africa, Middle East	713	683	683	9.9%	4.4%

Notes:

- LFL (Like-for-like) 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.
- Free Cash Flow (FCF) refers to operating cash flow after net investments, interest paid, lease payments and purchase and sale of own equity instruments.