

Company news

Ad hoc announcement pursuant to article 53 LR
Geneva, 12 April 2022

2022 First quarter sales

Good start to the year

“We are very pleased with the good start that we have made to 2022, despite the challenging external environment affecting many parts of our business. Our good sales growth of 4.6% on a like-for-like basis has been achieved against a strong prior year comparable growth of 7.7% on a like-for-like basis, and demonstrates the strength of our business and of our organisation in supporting our customers around the world.” **Gilles Andrier, CEO**

Sales performance

In the first three months of 2022 **Givaudan recorded sales of CHF 1,780 million**, an increase of 4.6% on a like-for-like¹ basis and 6.4% 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 affecting many parts of the business.

With higher input costs in 2022, 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 810 million, an increase of 2.7% on a like-for-like¹ basis and an increase of 2.8% in Swiss francs.

On a business unit basis, Fine Fragrance sales increased by 17.4% on a like-for-like basis, whilst Consumer Products sales decreased by 2.3% on a like-for-like basis, against a high prior year comparable growth of 11.4% and sales of Fragrance Ingredients and Active Beauty increased by 8.2% on a like-for-like basis.

The sales growth was driven by continued strong volume increases in Fine Fragrances with a sustained high level of new business, as well as continued double-digit growth in Active Beauty. Demand for Fragrance Ingredients continued to remain strong, whilst the performance of Consumer Products was impacted by the strong prior year comparable growth.



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Taste & Wellbeing sales were CHF 970 million, an increase of 6.4% on a like-for-like¹ basis and an increase of 9.6% in Swiss francs.

On a regional basis, the good sales performance was driven by Europe, which increased by 12.9% on a like-for-like basis, South Asia, Africa and the Middle East sales which increased by 10.9% and Latin America, where sales increased by 14.4% on a like-for-like basis.

From a segment perspective Beverages, Dairy, Snacks, Savoury and Sweet Goods all contributed to the growth. In the key strategic focus areas, sales continued to increase double-digit in alternative Proteins and mid-single-digit in Health & Wellness and in Naturals.

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.

For further information please contact

Pierre Bénaich, Head of Investor and Media Relations

T +41 22 780 90 53

E pierre.benaich@givaudan.com

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Key figures

Sales January to March

in millions of Swiss francs	2021 Sales as reported	LFL development ¹	2022 Sales LFL ¹	Change % on a LFL basis ¹	Acquisition & disposal impact ²	Currency effects	2022 Sales as reported	Change % in Swiss francs
Group	1,674	78	1,752	4.6%	46	(18)	1,780	6.4%
Fragrance & Beauty	788	21	809	2.7%	10	(9)	810	2.8%
Taste & Wellbeing	886	57	943	6.4%	36	(9)	970	9.6%

a. Acquisition & disposal impact

in millions of Swiss francs

Acquired Company	Sales included from	Group	Fragrance & Beauty	Taste & Wellbeing
Custom Essence	December 2021	10	10	
DDW	December 2021	38		38
Discontinued and disposed business		(2)		(2)
Total		46	10	36

Sales January to March: Fragrance & Beauty

	2021 Sales growth LFL	2022 Sales growth LFL
Fine Fragrance	6.6%	17.4%
Consumer Products	11.4%	-2.3%
Fragrance Ingredients and Active Beauty	6.9%	8.2%

Sales January to March: Taste & Wellbeing

	2021 Sales growth LFL	2022 Sales growth LFL
Europe	0.7%	12.9%
South Asia, Middle East and Africa	6.9%	10.9%
North America	4.0%	0.5%
Latin America	19.4%	14.4%
Asia Pacific	8.2%	2.4%

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Sales evolution by market – January to March

in millions of Swiss francs	2021 Sales as reported	LFL development ¹	2022 Sales LFL ¹	Change % on a LFL basis ¹	Acquisition & disposal impact	Currency effects	2022 Sales as reported	Change % in Swiss francs
Mature markets	955	58	1,013	6.0%	31	(16)	1,028	7.7%
High growth markets	719	20	739	2.7%	15	(2)	752	4.6%

Sales evolution by region – January to March

in millions of Swiss francs	2021 Sales as reported	2022 Sales as reported	Change % On a LFL basis ¹	Change % in Swiss francs
LATAM	181	197	5.2%	9.0%
APAC	423	424	-0.6%	0.3%
NA	449	476	-0.5%	6.2%
EAME	621	683	11.7%	9.9%

Notes:

¹ 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.

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.