

Croda International Plc

Results for the 12 months ended 31 December 2025

Call transcript (24 February 2026)

Key:

Steve Foots – Group Chief Executive

Stephen Oxley – Chief Financial Officer

David Bishop – Director of Investor Relations

Steve Foots – Group Chief Executive

Good morning, everyone, many thanks for joining us for today's presentation, it's great to be with you. As well as running through our financial results, we are going to do a deeper dive on the plan we're executing to grow earnings and improve results. We will also set out our financial framework for the next 3 years. So a slightly longer presentation than normal which Stephen and I will carve up between us before taking your questions at the end.

So, starting with our performance in 2025. Overall, we're pleased with how the business has performed in an uncertain environment. Sales grew 7% in constant currency, reflecting the benefits of a much stronger portfolio. Sales of patented ingredients were up 9% with demand for innovation at its highest level since before the pandemic. And our net promoter score increased by 11 points as service, collaboration and just as importantly trust continued to improve across our customer base.

Whilst margins remain well below where we want them to be, they improved both in Consumer Care and Life Sciences, contributing to an 8% increase in profits with PBT in line with our guidance. Free cash flow also improved in the second half due to lower working capital and capex, strengthening our balance sheet. So good progress. Much more to do, but our actions are bearing fruit which is encouraging. More from me shortly but first over to Stephen for the numbers. Stephen.

Stephen Oxley – Chief Financial Officer

Thank you, Steve and good morning, everyone. I'll start with financial headlines for the full year before taking you through our sales for the fourth quarter. In constant currency, sales were up 7% at 1.7 billion, adjusted operating profit was up 8% at 295 million and adjusted profit before tax also grew 8% to 276 million.

Free cash flow was 162 million, supported by reduced capex and lower working capital in the second half. Net debt was 524 million, with leverage of 1.3 times EBITDA. And we have proposed a final dividend of 63 pence, bringing the full year dividend to 111 pence, a small increase on the prior year.

Turning to sales in the fourth quarter in constant currency, where sales were up 5%, slightly stronger than we expected. Our Consumer Care business was up 9%, driven by another strong quarter in Fragrances & Flavours and supported by higher growth in Beauty Actives.

Life Sciences sales were up 8%. Within this, Pharma delivered its strongest quarter of the year, driven by higher excipient sales. And momentum continued in Crop Protection with sales up 12%, though we expect this to slow heading in 2026.

Industrial Specialties was down 19% against a particularly strong quarter in the prior year.

The trends we saw in the third quarter continued into the fourth, with volume growth moderating, a more favourable mix than the first half, and like for like prices remaining largely consistent with the previous year.

Turning to sales for the full year, we delivered growth of 7% in constant currency, despite an uncertain trading environment. Consumer Care sales finished up 8%, with another standout year for Fragrances & Flavours which grew 15%. Beauty Actives was up 6% and Beauty Care grew 4%, supported by higher volumes.

Life Sciences grew 8%, with Crop Protection up 14% as demand returned after an extended period of destocking. Seed Enhancement continued to deliver good sales growth of 8% and Pharma sales grew 4%, which was below our expectations, as US policy impacted sales of vaccine adjuvants.

Finally in Industrial Specialties, sales were down 2%, as direct sales growth largely offset a decline with Cargill, which now represents just 20% of IS sales.

There was sales growth across all regions, led by EMEA, where sales were up 9%. Asia lagged other regions as customer exports in Pharma and Industrial markets were impacted by US trade tariffs. Sales growth in North America improved in the second half year supported by a recovery in Beauty demand.

As Steve said, we are starting to see early progress from our business transformation. This chart shows how operating margin progressed over the year from 17.2 to 17.4%. Sales growth delivered an uplift of 0.7 percentage points, with higher volumes partially offset by price/mix, which was mainly mix.

There was also a 0.4 percentage point benefit from transformation cost savings, which more than offset inflation and costs associated with recent investments coming online. Unfortunately, the foreign exchange headwind of around 1 percentage point masked this margin recovery.

With cost savings gaining momentum, second half operating margin was 17.6%, giving us confidence margins will continue to expand over the coming years.

Turning now to profit, this shows a bridge from adjusted profit before tax of 276 million, to reported profit before tax of 91 million. In addition to recurring amortisation of acquired intangibles there were exceptional charges of 150 million.

We incurred exceptional cash costs related to our transformation programme of 26 million, including redundancy charges. The rest of the charges are largely non-cash, including a 45 million impairment related to our lipids site at Lamar in the US, with an associated onerous contract provision of 16 million.

We have carried out a detailed review of pharma lipid capacity across our 4 sites, and whilst we remain excited about the future potential, we have adequate capacity across three sites to satisfy medium term demand. So, we have decided not to start commercial production at Lamar and have instead placed the facility in standby mode.

This enables us to minimise future costs while fulfilling our commitment to the US Government, who provided most of the site funding, to produce lipids in the event of another pandemic.

Other charges of 62 million include a 29 million write off for assets under construction which will save capex, following a detailed review of future investment requirements; a 22 million

impairment for closure of our UK distribution centre, announced last summer, as we optimise our European supply chain; and an 11 million impairment of acquired technology intangible assets where we have discontinued certain development programmes.

Moving now to free cash flow and net debt. EBITDA increased 5% to 397 million pounds. As you can see, there was a working capital outflow of 8 million, compared to an inflow of 21 million in the prior year, when we benefited from the settlement of a 48 million pound one-off Covid receivable.

Typically, I would expect a working capital outflow of £20-30m to fund growth each year, but we can reduce this by making structural improvements that I will come to later.

Following a detailed review of current and future investments, capex reduced from 138 million to 108 million, below our guidance of 135. Combined with stronger earnings, this supported free cash flow of 162 million. Free cash was significantly higher in the second half, at 134 million, as a result of lower capex and working capital.

After paying the dividend and purchasing shares for our Employee Share Ownership Plan, net debt reduced slightly to 524 million. Leverage improved from 1.5 times EBITDA at the end of June to 1.3 times at the year end.

Turning to guidance. We expect constant currency adjusting operating profit for 2026 to be in line with current market expectations, with 3-6% organic sales growth and a further increase in operating margin.

First quarter sales in constant currency are expected to be similar to the same quarter in 2025, which is a strong comparator with sales growth of 9%, with the H1/H2 sales split for 2026 roughly 50/50 at constant currency

So, in summary, we delivered good growth in 2025, despite uncertain end markets, and we're encouraged by early signs that the transformation programme is improving both margin and returns. Now back to Steve to take you through our plans.

Steve Foots – Group Chief Executive

Many thanks Stephen. The plan we're executing builds on the five points we talked about last year. It combines growth actions with transformation initiatives to drive improved performance. It's all about growth and efficiency. That's starting to happen and we expect it to continue.

I'm going to spend some time on what we are doing to deliver more consistent growth. So, what we're specifically doing to refocus innovation, improve customer experience, maximise returns from investments and drive consistent growth in key markets such as Beauty and Pharma.

I'm really pleased with the progress being made executing our transformation initiatives. The whole business has responded well as we've pushed hard to deliver change quickly.

By implementing permanent structural improvements, we're becoming a more efficient company. We are streamlining our supply chain and procurement, digitalising key processes and exploiting the use of AI and data.

It's about simplifying, modernising and standardising the way we do things across the business to make both the customer and employee experience a much better one. This is leading to an improved financial performance which Stephen will expand on in a moment.

Before I come to our actions, I want to talk through the foundations of our plan which are Croda's core strengths; the 3 things that set us apart from our competitors.

Firstly, that's our business model. Fundamentally, it's differentiated by the importance we place on customer intimacy through direct selling. This allows us to better understand the unmet needs of our customers and drive innovation.

Secondly, it's our core capabilities. We have a leadership position in both innovation and sustainability across all our key markets. We make it very difficult for customers to formulate us out of their products.

And third, on the right, there is our portfolio. We've come to the end of a period of significant portfolio investment. It's now higher growth and focused on niche markets with compelling long-term trends. This has enabled good year-on-year growth over the last 18 months, even in tough conditions.

So, coming to each of those strengths in turn, this slide outlines how our business model works in practice. At its heart, Croda is a speciality ingredient company where we refine and purify natural raw materials and supply thousands of ingredients to thousands of customers that are included in their products at low inclusion levels.

The pictures across this slide show each step of the model and what our teams are doing to create a performance difference through imagination, creativity and above all exacting science. We are selling the benefit of our ingredients, not the chemistry whether that is applying our unrivalled purification expertise for drug delivery, utilising high throughput screening to create new beauty claims, tailoring ingredients to meet the demands of our crop customers, or using our expertise in formulation development to combine ingredients into solutions for high profile brands

And we bring this all together with world class claims which often transform the value of our customers' brands.

Next, our Core Capabilities. We leverage common science, common processes and common products. The diagram on the left illustrates how 'smart science' is the starting out point for everything that we do. It touches all areas of the business. The same can be said of our processes.

Ingredients sold to Beauty Care, Home Care, Crop Protection, Industrial Specialties as well as many Pharma customers, are produced at our shared manufacturing facilities, accounting for 60% of our sales and 70% of our sales volumes.

Many of our ingredients are sold into different markets. What might start out in Beauty, could also end up in Crop applications. We optimise the exact specification by ensuring that our sales teams work in close collaboration with R&D to create solutions for our customers.

Our ingredients portfolio is unique, with 1,700 patents and sales of patented ingredients increased by 9% last year. We also lead the way in sustainability, as validated by external rankings including our longstanding 'triple A' rating from MSCI.

These capabilities are fuelling our ability to serve fast-growing niches each with compelling and common characteristics which I will discuss in more detail later.

Following a period of heightened investment over the last five years, our portfolio is aligned with higher growth and long-term sustainable niches. 89% of Group sales come from consumer, pharma and agriculture markets – that's up from 73% in 2019. These are the areas where customers value our innovation the most.

We have invested in exciting higher growth niches like plant stem cells, F&F and biologics to access faster growth. They are all growing twice as fast as the market.

We are also selling to faster growth customers, notably local and regional customers that represent 82% and 56% of sales in Consumer and Crop, respectively.

And geographically, 48% of our sales are now from outside Europe and North America, up from 37% in 2019. So from a market, customer and regional perspective there has been a material shift and we are a stronger business as a result.

This slide explains operating margin development over the last few years with each column accounting for approximately one third of recent margin dilution.

Firstly, on the left, it was a consequence of lower volumes which was mainly macro driven due to volatile demand post-pandemic but compounded by the divestment of most of our Industrials business in 2022.

Secondly, it was driven by a higher cost base. As shown in the middle column, whilst product and gross margins have remained relatively stable reflecting the quality of our business, our cost base, particularly SG&A, became significantly higher.

And thirdly on the right, whilst this period of heightened investment has positioned us for growth, it has also increased our invested capital base, contributing to lower returns on invested capital and resulted in more incremental costs as new investments came on-line. Some of our acquisitions are also high growth but lower margin, notably F&F.

Until recently, our margins have set us apart from our peers, a leading position that we are determined to recover. Encouragingly, 2023 was the low point for sales and profit, with progress in 2024, gathering further momentum as we have ramped up our focus on growth and efficiency in 2025.

There have been four major challenges that we have learnt from in the last few years. Firstly, customer behaviours changed post the pandemic and they temporarily prioritised supply and demand challenges ahead of innovation.

Secondly, we allowed our cost base to run ahead of sales. We were slow to address this, and now we are dealing with it.

Thirdly, our strategic investments need to make a bigger contribution to profits.

And fourthly, we were too concentrated on higher growth opportunities, notably in Pharma, where we focused on vaccines ahead of our heritage business.

Our growth and transformation actions are a direct response to these learnings. We have increased our focus on execution, and you can start to see this coming through in our results. There's also more to come given the natural lag between action and outcome.

So, I'm going to go through each of the four growth areas and what we are doing differently to drive performance. Importantly, our business is very well invested so we're not having to ramp up investment to deliver consistent growth, it's already there.

Starting with innovation. With consumer and regulatory trends changing quicker than ever, customer demand for innovation has rebounded but customers now want different things. We have responded by implementing a more rigorous innovation framework, rebalancing R&D resource, making it more customer centric and focused on 3 things.

First, launching new ingredients – historically, this is where we have focused hardest. Second, creating new benefits for our existing ingredients. And third, increasing co-creation activity with customers.

So, running through each of these in turn, starting on the left. Sales of new ingredients increased 10% in 2025. Last year we launched Kerabio, developed from a new scalable technology platform for hair repair that enables brands to compete with market leaders. We are first-to-market with a ground-breaking ingredient; with the last batch we produced selling out within a day.

Next, we're opening up big opportunities by creating new benefits from our existing ingredient range to meet unmet needs. For example, we've developed our existing lipids range to address a new market for pharma generics.

And finally, we are doing much more with our customers to tailor individual ingredients and formulate multiple ingredients to meet their specific requirements. The average pipeline value of each customer co-creation project increased by 12% in 2025. A good example of this is a PEG-free rheology modifier that we developed in collaboration with a global beauty brand.

So turning to customer experience, what are we doing to improve it? Our direct-selling model and co-creation expertise cement strong levels of trust and loyalty – over 90% of customers have stayed with us over the last 5 years despite the market volatility.

We are now deepening those relationships by building a more granular understanding of different types of customers through our new segmentation programme, introducing more tailored solutions and bespoke service packages for local and regional customers, 'regional giants' and multi nationals.

For local customers, we are now globalising claims testing and formulation support. For example, in Beauty Actives this has historically been done exclusively from our Sederma site in Paris – we're now replicating this capability in key locations across Asia. Last year, sales to this customer segment grew by 9% in Consumer Care.

We are also deepening relationships with 'Asian giants' across Beauty, Pharma and Crop Protection, helping sales to the top 5 Asian Beauty giants grow by 19% CAGR over the last 2 years. Crop sales to 'tier 2' customers were also up 36% in 2025, partly driven by the rise of Chinese generic pesticide manufacturers.

We are powering the world's biggest brands across our key markets and are a core supplier of beauty actives for every multinational company globally. In 2025, we grew sales with 4 out of 5 top Beauty customers and by 14% with our major Crop Protection customers.

Our Net Promoter Scores prove that we are doing the right things. We benchmark at the top of the industry for product quality, the most important driver of customer preference. We are also in the top quartile for innovation, sustainability and trust. And we are driving best practice in order delivery, customer service and access to information.

With 89% of total sales now in strong niche positions in these structurally advantaged markets, we are in a good position to continue the early growth momentum that is coming through.

Turning to investments, we are scrutinising future commitments and past performance with much greater rigour, and Stephen will explain how we are applying our capital allocation framework shortly. We are also driving all our recent strategic investments much harder,

leveraging our global distribution network to maximise sales and broad scientific expertise to accelerate technology transfer and development.

Starting on the left with growth-focused capex, which was largely spent on assets in Asia and scaling up pharma lipids. Last year, we commissioned our new low emissions production centre in Dahej, India, further rebalancing our global manufacturing footprint to higher growth countries. It will support faster growth in Asia this year and its lower cost per unit will enhance profitability.

Capital expenditure to enable large-scale pharma lipid manufacturing was joint funded by the US and UK governments. This investment has positioned us for break-out growth in due course but it's going to take more time, so we've decided to put our new US lipids facility on standby to minimise costs. In hindsight, we should have invested in one scale-up facility, not two, that's the learning here, but we have world class facilities that can quickly ramp up when needed and enough lipid capacity to satisfy near-and medium-term demand.

Moving across to M&A, acquisitions made during this period are delivering good growth and we have rigorous plans in place for each of these businesses to support continued growth in the year ahead.

Over the last 5 years we have shifted to highly attractive markets, primarily small niches which offer prospects for above-market growth. We have also allocated resources to higher-growth geographies.

Our Beauty businesses have a circa 10% share in the \$8bn addressable beauty ingredients space with top three positions in niches that are growing faster than the market as a whole. In Beauty Actives, we have number 1 or 2 positions in niches growing at 4-7% a year, and we are a top 3 player in Beauty Care ingredients in niches growing at least 3% annually.

Our F&F business is a small but fast-growing player in a \$25bn addressable market. We focus almost entirely on local and regional customers in emerging markets, a segment that is growing twice as fast as the broader market. That unique positioning will continue to drive above-market growth in the years ahead, which we will support through light-touch capex following more significant investment recently.

Our Agriculture businesses have a circa 9% share of a \$4bn addressable market and we have a top three position in niches growing at least 1.5x market growth. As regulations tighten and crop care formulations become more complex, customers have significant development needs providing us with opportunities to innovate. This is reflected in strong demand for the highly-differentiated ingredients at the top end of our portfolio, which have grown at 10% CAGR since 2019.

And finally, Pharma is a top three supplier of delivery systems in niches growing at least 5% CAGR.

I want to quickly provide some more detail on the actions we're taking to reinvigorate Beauty and rebalance Pharma. Both these businesses have margins above the Croda average, so driving consistent growth here helps enhance Group profitability.

Starting with Beauty where we are looking to drive a more consistent performance in both the top and bottom line. In Beauty Care, following the pandemic, many of our bigger customers prioritised tactical competitive activities - for example resetting supply chains ahead of innovation. This impacted industry innovation causing it to slow temporarily. Well, ingredient innovation is now firmly back and we've seen that pick up over the last 18 months, particularly with the multi nationals.

On top of this, customers want different things from our innovation programmes. At the start of last year, we responded by implementing the more rigorous innovation framework I've just explained, ensuring spending is well controlled by reallocating resource to maximise the value we can create for our customers and ourselves.

In Beauty Care, we have two key priorities. First, capturing exciting, near-term opportunities in commercialising our advanced biotech pipeline. Kerabio is the first of a number of new platforms ready to be commercialised. And second, showcasing Beauty Care as a delivery system for Actives, leveraging our ability to deliver tailor-made solutions to customers comprising multiple ingredients. That supported increased growth last year.

In Actives, we're seeing greater demand coming from outside Europe so, again, we have two clear priorities. Firstly, internationalising our Actives capabilities beyond the traditional centre in Paris. This will include regionalising testing and claims substantiation capabilities particularly in Asia. Our new class of ceramide ingredients is helping to accelerate Actives sales as we globalise our offer as well.

Secondly, we are taking advantage of new markets opening up. Our Actives have traditionally been used in high-end brands and that is continuing. But they are now starting to go into more mainstream markets as well so we are delivering benefits to masstige products. That helped support higher sales growth in the second half year particularly in North America.

We expect Beauty to contribute to organic sales growth of 3-6% CAGR to 2028 for Consumer Care, with Beauty Actives growing faster than Beauty Care. As sales growth across Beauty is accretive to Group margin, this will also help enhance profitability.

And finally, Pharma. We have improved our focus and the customer experience by splitting our Pharma business into two portfolio-led focus areas.

Pharma Ingredients, which represents over two thirds of Pharma sales, wasn't our priority during the pandemic as we concentrated on higher-growth opportunities. We have now organised this on a regional basis, leveraging long-standing customer relationships and our regional model. It comprises ingredients for consumer health, where we are benefiting from Croda's broader skin care expertise for topical applications. And Advanced Ingredients such as high-purity excipients that are used as delivery systems across the full range of current-generation drugs.

To strengthen our leadership, we are creating new high-purity excipients for injectables and new bioprocessing aids. For example, our recently commissioned super refining process at our site in Leek has supported the launch of a Super Refined Poloxamer, used as both an aid to cell growth during upstream bioprocessing as well as an excipient.

Moving across to the right, Pharma Solutions provides lipid technologies and vaccine adjuvants which together represent less than one third of Pharma sales. Here we have the opportunity to accelerate overall Pharma growth albeit with a more volatile year-on-year performance as illustrated by its exceptional growth during the pandemic followed by a re-set in demand. This is now organised as a specialised global business working closely with customers and partners principally on new drugs in development.

In lipid technologies, we are targeting new applications for lipids in generics and expanding our range of more than 2,000 lipids for drug research, for example with Certest.

To accelerate development of sustainable vaccine adjuvants, we are working with external partners with recent portfolio additions including sustainable squalene which has demonstrated extended stability compared with competitors' shark-based alternatives.

Pharma will contribute to organic sales growth of 4-7% each year for Life Sciences, a growth rate which excludes any breakout growth projects that could represent a potential upside. Growth across all Pharma platforms is accretive to Group margin so will also help enhance profitability.

I will pause there and hand over to Stephen to talk about our transformation programme and how all of this translates to performance.

Stephen Oxley – Chief Financial Officer

Thanks Steve. So, moving on to our transformation programme. Last summer we set out a programme designed to enhance growth, drive stronger execution and deliver cost efficiencies. So what are we doing?

First, we are optimising value by reducing complexity in our product portfolio and customer base. We are also delivering commercial excellence through improved pricing discipline, customer segmentation and account management.

Second, we are transforming our supply chain where there is a significant opportunity to reduce cost and working capital by optimising our procurement, manufacturing and distribution.

Third, we are simplifying our organisation by streamlining management layers, headcount, and support functions. This is underpinned by actions to enhance our performance culture, including aligning incentives to our financial framework, as well as a programme to leverage AI, digitalisation and better use of data.

Collectively, these steps are expected to deliver total annualised savings of £100m and a working capital reduction of £50m for full year 2028.

Though it's still early days, we have made good progress in each area. Let me give you some examples, starting with optimising our portfolio. Our customers value the breadth of our product range which includes 55,000 individual SKUs, excluding F&F.

However, this brings complexity and cost to our supply chain with a long tail of low volume items where we don't always make money. So, we are rationalising our product SKUs, with a minimal impact on sales, which will allow us to focus on our most important products, save costs and improve working capital. We've completed a pilot for one global product group and will now apply this to the rest of our portfolio.

To enhance growth, we have also segmented our customer base so that we can better tailor our service to those segments. For example, we are improving account management for multi nationals and setting minimum order values for our smaller local and regional customers, as well as accelerating adoption of our digital portal, reducing cost to serve. We are also driving best practice in pricing across the portfolio.

Turning to supply chain transformation our work is now well underway. As we told you at the half year, we are closing and outsourcing our UK distribution centre as well as fast tracking an operational improvement programme for our eleven shared manufacturing sites, which account for around 70% of volumes and 60% of sales.

By the end of the year, we had begun to realise savings in five sites, with a further ramp up this year as we benchmark and standardise best practice.

We are also starting to consolidate manufacturing processes into fewer locations. For example, we currently produce alkoxyated products in three shared sites in Europe and are reducing this to one. In total, we have more than 40 manufacturing plants and most of our costs are not associated with the 11 shared sites, so we will also focus on the rest of our footprint in 2026.

Centralising procurement is a major part of our transformation, rebalancing local agility with the need to exploit our purchasing power. At the moment, Croda largely purchases products and services on a site-by-site basis. We're establishing regional and global procurement by cost category starting with raw materials, packaging and logistics.

We have also launched a working capital improvement programme and have identified structural savings of around 50 million across inventory, receivables and payables.

Looking at simplifying the organisation, we reduced headcount by around 5% in 2025, excluding F&F. In our back office we have begun to transform finance, HR and IT, with greater use of shared services and outsourcing, as well as better use of data and automation.

This slide aligns the savings we set out last year with the pillars of the transformation programme I have just outlined. 65 million comes from optimising our operations as we transform our supply chain. And 35 million comes from simplifying the organisation through headcount reduction and streamlining our support functions.

In total, we still expect to deliver recurring savings of 100 million in 2028 at a cash cost of 80 million. As you heard earlier, we delivered 28 million of savings in 2025, slightly ahead of our plan. This offset underlying inflation and the cost of recent investments coming online.

From 2026 onwards, we expect transformation savings to more than offset inflation and investment costs, contributing to margin recovery. Of course, we continue to identify new transformation opportunities, particularly in our supply chain, and will keep you updated on progress.

Turning now to our financial framework for 2028. As Steve said, we have leading positions in attractive markets and are well positioned to deliver consistent growth. Assuming prevailing economic conditions continue, we expect organic sales growth of 3 -6% in Consumer Care, and 4-7% in Life Sciences, both underpinned by growth in all our business units.

Industrial Specialties is not a priority for capital allocation though we will selectively target growth opportunities. We expect sales here to be broadly flat, as modest growth in direct sales is offset by reductions with Cargill.

Together this amounts to average organic sales growth for the Group of 3-6% to 2028. Volume growth will moderate from 10% in 2025 as we increasingly focus on growing our most highly differentiated, higher margin products, with price/mix turning positive.

So how does this all translate into operating margins? We expect to increase adjusted operating margin from 17.4% in 2025 to more than 20% for full year 2028. A 20% operating margin is equivalent to an EBITDA margin in excess of 25%, which benchmarks favourably against our peers.

Our principal cost headwind is salary inflation, which was £12m in 2025. We also expect a £10 million step up in depreciation in 26 as recent investments come online, but this should be the final significant increase.

Margin recovery will be driven by the remaining transformation benefits of 72 million, as well as top line growth, with growth contributing a slightly larger proportion.

Turning to free cash flow. I am pleased with the early progress we made in 2025, generating 134 million of cash in the second half. We expect to make further improvements reducing working capital by £50m for full year 2028. This will be delivered by improving supplier terms and payments as we centralise procurement, standardising receivables terms and optimising collection, as well as reducing inventory as we transform the supply chain.

Capital expenditure has also been coming down as we complete the Pharma investment programme and several other large expansion projects. We reduced capex to 108 million, or 6% of sales in 2025 and expect it to continue at around that level over the next few years with no further expansion projects required.

The benefit of lower capex and working capital, together with growing profits, will support a continued improvement in free cash flow. As you can see, we are targeting free cash flow conversion of 12% for 2028. Our definition of free cash flow is now more prudent as it includes the cash cost of delivering transformation.

Turning now to capital allocation. As I said at the first half, our capital allocation framework remains unchanged, but we're applying it with greater rigour.

Our first priority is organic investment, where there has been a period of heightened intensity and green field site investments which are largely complete. With forward capex of around 6% of sales, we are putting a strong focus on returns, risk and execution in our upfront commercial assessment of investments, and future capex decisions will prioritise smaller, lower risk opportunities with faster cash payback.

Second, our policy is to pay 40-50% of adjusted earnings as ordinary dividends and we remain committed to at least maintaining the dividend as we grow back into this payout ratio from the current level of 76%.

Third is acquisitions. After significant M&A activity in recent years, our focus now is on driving greater returns from these investments. We will continue to look at small technology-led bolt-on acquisitions if we see opportunities to accelerate innovation, but any spend here will be modest and typically below 10 million pounds.

Fourth, we plan to maintain net debt within the range of 1-2x EBITDA, providing the opportunity for additional shareholder returns as we generate free cash flow over and above regular dividend payments.

So to summarise, our new financial framework sets out our targets for the next 3 years to 2028 and is a scorecard for tracking future progress. Our ambitions of course, go well beyond this, but let's first get the business generating good growth, margins and cash flow.

We expect to deliver average organic sales growth of 3-6% a year through to 2028, based on current market conditions. Together with the benefits of our transformation programme, this will result in adjusted operating margins of more than 20%.

We are targeting Free Cash Flow relative to sales of more than 12%. And finally, with earnings growth and lower capital intensity, we expect Return on Invested Capital of more than 10%. Many thanks, I will now hand you back to Steve.

Steve Foots – Group Chief Executive

Many thanks Stephen. So, as you've heard there is a huge amount of activity going on right across the business. Our plan is built on Croda's core strengths, underpinned by multiple, self-help areas to drive growth and transform our business for the next chapter. It's all about delivery and transformation.

Our performance objectives are clear – to maximise value for our shareholders by delivering consistent growth and enhanced profits alongside increased cashflows with improved returns. Progress is underway, there is much more to do but we look to the year ahead with confidence and look forward to keeping you updated along the way. Let me stop there and hand over to you for your questions.

Charles Eden – UBS

Charles Eden from UBS. My first question is on margins. And how should we think about the cadence of the margin progression over the coming years? Is there any reason why the progression towards over 20% by 2028 will not be reasonably linear over the next 3 years?

And perhaps you could also talk us through how you're thinking about the various contributing buckets to this between operating leverage, transformation cost savings, incremental cost inflation, and any other factors you want to call out? And I don't want to get ahead of ourselves but you mentioned your ambitions go way beyond the targets set out for 2028. So, is it fair to assume that means nothing has changed regarding the EBIT margin trending back towards the mid-20s over the longer term?

And then my second question is on price mix expectations for 2026. Can I just confirm, is the expectation still for flattish list pricing with mix negative to start the year but to see improvement through the year and is that the right way to think about it, and are there any variances between Consumer Care and Life Sciences to be aware of?

Steve Foots – Group Chief Executive

Few questions in there, Charles. Stephen, margins and mix.

Stephen Oxley – Chief Financial Officer

I'll deal with your last question first. The way you've described that is exactly right. Just think about the momentum that we've got going through 2025 into 2026.

Coming back to margin, I'll talk about the three-year period, not to start thinking too far beyond 2028. But let's think about what we've seen. I think good margin recovery in 2025. There is an FX headwind of 1% that masks that, and that's the progression that we will see going into next year. So, exiting second half at 17.6% and, yes, you should think broadly linearly across the three years.

as I set out in the slide, we've got the combination of sales growth and business transformation really driving that, sales growth being slightly more than transformation. And of course, like any business, we then have inflation headwinds and everything else. But the key point to make, of course, is that the business transformation benefits are structural. So, that £100 million of savings continues beyond 2028.

Look, our ambition is to get beyond 20%, but let's first get to 20%. When we compare the business now back to 2019, it is a much better business. I know it's a higher-value, higher-margin business, but it's also a different business, a different mix and a more heavily invested balance sheet. But we're not going to rest at 20%.

Lisa De Neve – Morgan Stanley

Hi. Lisa, Morgan Stanley. I have two. I would just like to come back to your capital allocation comments. At the end, you talked a little bit about potential special returns. If you could just provide a little bit of detail or framework around that, that would be great. And then, two, you had a quite strong end to the year on the top line. It was quite impressive. How should we think about that trending into the first quarter? I know that you mentioned that comp sales would be broadly flat year-on-year, but it would be good to get some qualitative colour on the subsegments, especially Pharma and the subsegments of Consumer Care. Thank you.

Steve Foots – Group Chief Executive

Should we start quarter one then, just a high-level message on quarter one, and then we'll come back to special returns as well.

Stephen Oxley – Chief Financial Officer

Yeah. So, Lisa, it's unusual for us to guide for a quarter. I did that because what I don't want is a surprise coming out when we report in April, quite frankly. But there's nothing unusual about what's going on. We've exited 2025, actually, in the way that we expected. January is looking bang-on expectations. It's just for Q1, we're lapping a very strong quarter in 2025, as I said, with 9% growth. But in terms of phasing for the full year, it will be a kind of a normal 50/50 split.

Steve Foots – Group Chief Executive

Okay. And then, on the special returns, I think the capital allocation policy has been there for many years. We're not doing any more big capex. It's back to 6%, around 6%. And we're not doing any M&A as well, so we expect to grow the business. I mean, a lot of the focus is on EBITDA growth and free cash flow growth. So, we need that free cash flow to grow. And we've got options. We have got optionality on the balance sheet. But, Stephen, you can probably add to that, if you want.

Stephen Oxley – Chief Financial Officer

Yeah. Look, I think for me, it's about running a prudent balance sheet. So, we're 1.3 times levered at the moment. We've been very, very clear that we'll be generating more free cash flow. I think it's important that we grow back into the dividend. And as a point of discipline, we don't borrow to buy back shares or pay special dividends. So, we're very clear that the cash will first cover the dividend. As we generate more cash, we and the board will obviously look at how we deploy that.

Sebastian Bray – Berenberg

Hello, good morning. Sebastian Bray of Berenberg Bank. I would have two questions, please. The first is on Industrial Specialties. The company has provided flattish comparable sales growth indication to 2028. Can you talk about the expected margin development over that time because this business used to make double, if not higher, operating margins versus what it does today. Is sitting within that guidance, the expectation with the profitability of the segment

will improve on a relative basis faster than the two main segments of Croda, the Life Sciences and Consumer Care?

And my second question is on part of Consumer Care, which is Flavours. You didn't mention it in the presentation, but this looks like it was the fastest-growing business of Croda in 2025 with, I believe, over 20% growth. What's going on there? And is this an area that, let's say, could become a little more important in future? Thank you.

Steve Foots – Group Chief Executive

Yeah. Well, let's do Flavours, and then back to IS and we'll both probably chip in on IS. I mean, Flavours, it's a good business with minimal distraction at the top of the company. It's part of a very good team in the F&F team. So we've given it about £3 million or £4 million worth of capital about two years ago. It's all it needs to keep growing. So, the growth is coming from that capital that's gone into the business, and it's really good growth around the world.

So, our job there is increasing its EBITDA without distraction from the top of the company. And we like the business and it doesn't need any more capital for the future. So, becoming more important because of the growth, but it's still part of our flavors and fragrance business, which is growing very well as well. So, this last year, it's done very well. But we shouldn't forget about Fragrances which is growing 13%, 14% as well. So, we like the business and it should continue to grow.

IS, I mean, let me start with IS. So the majority of IS has got good margins in it. In there, you've heard that 20% of IS is the relationship we've got with Cargill. A smaller percentage of that is the tolling and residue of co-stream business. So, the majority you can work out is probably two-thirds of that is good-quality Croda business, something that I ran for 15 years in Croda steadily. So, it's got good margins. We expect that core business to grow. We want it to selectively grow. And I think it will help, of course, that growth to the respective businesses and the front here for Life Sciences and Consumer in the shared assets. So, it should continue to grow, but a lot will depend on the overall growth with the relationship we've got with our Cargill, our partner, and also co-stream should be just a function of the activity that we do as a business.

Stephen Oxley – Chief Financial Officer

And, Sebastian, margins in IS will recover, both as we target specific growth opportunities and as the business benefits from transformation, obviously, from relatively small base.

Katie Richards – Barclays

Hello. Katie Richards from Barclays. Just a quick follow-up on the margins. If I remember correctly at Q3, you said that you felt you'll be able to recover all 750 basis point adjusted EBIT decline and are now targeting above 20%. So, is there any reason for your conservatism on this slide? And as well, having now disclosed these sort of midterm targets towards 2028, what can we expect from the CMD in the first half of this year, if that's still happening?

And my second question would be on the utilisation and the winning back of volumes. If I look at the slide on the bottom-left on page 19, it looks like the utilisation rate in the second half of this year has been flat or maybe 1 percentage point up. Are you still comfortable with getting back to 100% of utilisation rates by the end of 2026?

Steve Foots – Group Chief Executive

Okay. Few questions in there, margins, utilisation, and your point about Capital Markets Day. So, Stephen, why don't we start with margins and utilisation? I'll come back on the Capital Markets Day point.

Stephen Oxley – Chief Financial Officer

So, look, is 20% a walk in the park? No, it's not. I think that's a stretch. It's early days on transformation, but we're pleased with progress. We've set out a clear path back to more than 20%. And as I said earlier, we're not resting on that as our ambition.

Utilisation. Spot-on 93% for the full year. It's up a little bit. Look, we want to get back towards 100%. This isn't an exact science. It's multiple sites, it's multiple processes. When we talk about 93% utilisation, that's wonderfully simplistic. What you've seen through the year is the trend of volume coming down and the mix offset coming down as well, all right? So, think about 10% volume growth for the full year. Q4 volume growth was 5%. Mix for the full year, 3%, against – and then, that's come down obviously in Q4. That's the trend that we expect to continue going into 2026 and beyond.

Steve Foots – Group Chief Executive

And your Capital Markets Day point is don't expect a full-blown Capital Markets Day for us. What we want to do is similar to 2022 for many of you in the room that were there, is start to do deep dives in our businesses. We've got four big businesses: Pharma, Ag, Beauty and F&F. So, we're going to start with Pharma, so we'll come out with some dates for a deeper dive on Pharma in due course. David, we'll take one from David first.

David Bishop – Director of Investor Relations

It's a question from Martin, our covering analyst at Kepler and it's on the margin again. Regarding your framework and your EBIT margin aspiration of over 20% by 2028, to what extent will this be driven by top line growth, including the leverage effect? And how much will cost-savings contribute? Is it an equal split?

Stephen Oxley – Chief Financial Officer

Yeah. Thank you, Martin. Look, just to reiterate, that growth is driven by both, with growth slightly higher than transformation

Steve Foots – Group Chief Executive

Yeah. The wider point we want to make, too, and we make in the business as well, is we want every business in Croda where sales value is ahead of sales volume and profits are ahead of sales value. And what we really mean by that is that the growth in margin is driven by innovation but also with transformation. And we're not far away from that in some of our businesses.

Matthew Yates – Bank of America

Okay. Thank you. It's Matthew Yates from Bank of America. Sorry to come back to the margin question again. I'm trying to connect what I think is slide 19, which is the backwards-looking waterfall of effectively what's gone wrong, and slide 36, which is the forwards-looking bridge on your targets because, Stephen, you framed it in the way that these three equal buckets.

And I guess, my question is, of those respective buckets, how much of the problem do you think you can fix versus what, for whatever reason, unfortunately is still a persistent headwind?

And the second question is on top line. This idea of delivering consistent growth, I think with respect, that isn't necessarily something that Croda has proven in the past. So, the question is, why is this time different? Is it a change in culture, a change in asset base? Why should investors have that confidence when the track record has been so inconsistent?

Steve Foots – Group Chief Executive

Let me start with top line and Stephen on margin. I mean, hopefully, what you see from the slides, in top line growth, we've had 18 months of good top line growth in an industry that isn't growing. And you can compare us to anybody in the industry, we're growing very well.

I think the encouraging sign second half is that our heritage Croda businesses are growing well as well. So, you've got Beauty Care, Beauty Actives and Pharma Ingredients all supporting growth now, which is really important for the group. So, that's point one.

Point two, the portfolio is a stronger portfolio today than it was. And if you look at the slide that I presented on virtually 90% of our business is in structurally growth markets with big, strong positions. We should grow. We expect to grow. We're pointed to customers with a lot of growth, particularly the local and regional customers and the regional dynamos, we call them.

And thirdly, virtually half our business is in fast-growing geographies now. So, the shift in the portfolio is significant to faster growth. So, all of those should come together to give us more consistent revenue growth. And we're encouraged. We're not getting ahead of ourselves, but we've had 18 months of good growth. I expect that to continue. So, we'll stop there. And then, on the margin point?

Stephen Oxley – Chief Financial Officer

Yeah. Matthew, exactly the right way to look at it. So, the first slide sets out the margin going down. So, that's volume, partly destocking, partly obviously the disposal of the PTIC business. We put a lot of cost into the business and we've been clear that we were too slow in taking that out. And then, finally, the third leg is the cost of investments that are not fully paying back, which is obviously what will drive growth. So that's the past. If you then look forward to the future, we've set out the margin up to well over 20%. If you go back to what I said a moment ago, driven really by growth, top line growth of 3% to 6% and transformation growth being a slightly larger portion with £75 million of transformation benefits to go. And then, of course, we do have the routine headwinds going the other way.

Chetan Udeshi – JP Morgan

Hi, Chetan from JP Morgan. Maybe just a bit of a critical question to begin with. I think many of us for the first time is seeing a little bit of, I think, Steve, you mentioned learnings which probably we've not heard enough in the past, at least publicly. And I'm just curious, you are now talking about 6% of sales on capex, which still seems high. Because in essence, we are saying we've got too many assets which are not fully sweated out yet and I'm just looking at all the impairments. I'm just curious, how are you managing that so that we don't see four years from now a new plan with a lot of impairments?

Steve Foots – Group Chief Executive

Look, I mean, we're a curious company, we have to learn. We don't like some of the things that happen but you have to deal with them. And we've lived through four years of a very volatile industry. So, I think every management team has to deal with it. We are. I think, in terms of the focus in the business, we're really pleased with where the growth's coming.

We've got 18 months of good growth. I think the other thing that we didn't mention to Matthew's question is you've got innovation coming back in a lot of our industries, which was temporarily subdued largely by our customers, but that's coming back.

And the Croda model is, we like innovation but we need it from our customers as well. And you're getting that. And I'm not just talking about Beauty, it's Pharma Ingredients, it's Crop. There's formulation churn back in the industries that we operate in. Croda likes that because we get our next best product in there. So, they all won't grow at the same speed. They won't be linear, but they'll grow. And we feel, even in these tough markets, as we say, the growth rates that we're posting now, we're encouraged with and we've got a lot of capacity to grow into. But, Stephen, anything else you want to add?

Stephen Oxley – Chief Financial Officer

Yes. So, Chetan, I think as we think about capital investment and capital allocation, the key word for me is discipline. We've been through a period of significant investments, and those investments are largely – they're big greenfield signs that by definition have a longer payback. That's done. We've got all the investments that we need. Growth is being driven by the portfolio and the asset base that we've invested in. We will spend around 6%. That's a combination of both what I call maintenance capital, sustaining capital with some very small growth unlocked. But what we want there are small investments that are low-risk with really fast cash payback, and that bite on cash payback for me is the real discipline.

Chetan Udeshi – JP Morgan

Maybe if I follow up on the same point. This co-development with customers, is that a new concept at Croda? Because I think, historically, you wanted to develop and leverage over a wider customer base. Is that a change that has happened over the recent years?

Steve Foots – Group Chief Executive

It's an emphasis change. They all want different things now. And when we talk about customers, there's multinationals, there's regional dynamos, and there's local players. They all want different, but we have to personalise our innovation with some of them. And some of the best returns that we get for innovation are through bilateral relationships. And we've got many in the pipeline, some really exciting stuff. But that comes from a position of trust. So, when we talk about NPS scores and things like that, we are at a very high level of trust with our customers, and that fosters more and more innovation. So, we're at our best when R&D in Croda is speaking to R&D at the customer and you're fostering innovation. And you're starting to see that coming through in all of the businesses. So, that's helping us with your point on growth. Innovation will drive us there, but we've got self-help. We shouldn't forget that transformation is in our hands. It's not in anybody else's hands. It's up to us to deliver that self-help. So, we have that as an additional sort of a buoy in our armoury.

David Bishop – Director of Investor Relations

It's a question from Ranulf, the Citi analyst. Please, can you provide an update on the competitive dynamics particularly emergent from Asia?

Steve Foots – Group Chief Executive

Yeah. I mean, look, probably a China question, but more broadly, first point we would say is, look, currently, that Chinese competition is pointed to big customers, big products and big volumes, no matter what industry you're in. That's broadly where it is. In our industry, that lends itself to petrochemicals and upstream and some diversified, some of you call it semi-specialties which, fair enough. But it's not anywhere near Croda, we don't see that. I think second point is, look, we don't take competition for granted. We're not complacent nor are we fearful for that. We would expect competition to move towards us. And the third point in response, it's the Chetan point. It's innovation. It's personalising our customer activities. And it's giving our customers something different. And we've got that capability through the business model. It's a very effective business model at meeting customer unmet needs. And you're starting to see Croda get back to its normal cadence with customers on innovation. So, that will keep us keep us ahead of the competition.

Stephen Oxley – Chief Financial Officer

And, Ranulf, just to add, Asia and particularly China are obviously great growth opportunities for us. And you saw some really good examples of that in the presentation.

Nicola Tang – Exane BNP Paribas

Thanks. It's Nicola Tang from BNP Paribas. I just had one, just a small mini deep dive into your Pharma business. And just can you explain a little bit what's changed versus your previous or historic performance and also previous targets? Because I think you used to talk about low-double-digit growth for Pharma, if I'm not mistaken, versus this greater than 5%. So, is the change a function of changed expectations on end market growth, or is it more a change in terms of what you've done and how you've rebalanced your portfolio?

Steve Foots – Group Chief Executive

Yeah. So, let me answer that. I mean, firstly, we've got two businesses. Pharma Ingredients is two-thirds of the business, which is business which you know very well. There's no change in that since 2022, but we expect growth rates to be mid-single-digit there. We're exiting 2025 at those rates, actually. So, within there is – and Thomas can – you can talk to Thomas afterwards, it's all around refocus, innovation and it's the nuts and bolts of Croda. So, we think there's a lot of opportunities with this rebalancing of our innovation framework to drive further growth. So, two-thirds of that business hasn't changed. The bit that has changed is the one-third, which is Pharma Solutions. And all we're saying there is, look, we're not putting any of the breakout growth in our three-year plan. We are still very excited about the progress. Every time we look at the number of projects that we've got in there, it's not reducing and there's lots of opportunities there. But we will get significant growth in Pharma Solutions without that, and that's coming from at the heart is Avanti. It's research for lipids. We've got opportunities for generics in lipids. And we've also got opportunities non-mRNA lipids and the new vaccines as well. So, we see those growth rates being good. The reason that the headline rate has come down is because we've taken out some of the three-year breakout growth because it's not in our hands. It may come through but we're being cautious with that.

David Bishop – Director of Investor Relations

I've got a long list so I can keep going. So, again from Ranulf. With regards to the Lamar lipid facility, can you give a view on when operations may resume and what the necessary conditions would be?

Steve Foots – Group Chief Executive

Yeah. I mean, I'll take that. I mean, look, we don't like impairments. At the best of times, it's not Croda, but we have to respond to market conditions. I think we've mentioned before that, look, everything's been pushed out to the right for lipids but it hasn't gone away. Definitely not gone away and we feel that we've got adequate capacity to meet the near-term and medium-term demand. I think we see that as a very important asset. It's got worldclass facilities in there. It's probably more valuable than it was 12 months ago. But back to the question, a lot will depend on breakout growth. If we get something in the clinical programs in the advanced stage that hits the market and it's something which is more significant than we think and we can't meet that demand from our current units, then, of course, we will bring that back. So, we've got plans to step that plant up pretty quickly if we need to.

Maurizio Carulli – Quilter Cheviot

Hey. Maurizio Carulli, Quilter Cheviot Investment Management. A further question on Lamar. If you are mothballing it for the time being, what are the costs involved with that? And the aim is to keep cost at the minimum and then to have the one-off cost when it restart or to keep ready to restart virtually immediately, i.e. having it be more of cost and then zero cost when it restarts. And ideally also it to get sort of a quantitative sense of these costs, if possible.

Stephen Oxley – Chief Financial Officer

Yeah, okay. Let me pick that up. So, we've not – really importantly, we've not mothballed Lamar. We've put it on standby, right. And that means that we're ready to fire it up at short notice as and when there is a volume requirement. So, we've made a commitment to the US government that part-funded – majority-funded, actually, the investment. We have the plant up and running in sufficient time for their needs and, of course, any other needs that we see. So, it is having a non-go standby costs. That's what we've provided for at year-end. So, there is no remaining financial exposure here. That's completely covered. There's no downside risk. It's fully impaired. So, from a financial perspective, you should think of this as a great asset actually. It's all upside when we get the volume opportunity. And in the meantime, we'll just rebalance across the other three sites being prudent in how we're managing the cost base.

David Bishop – Director of Investor Relations

The question is from Virginie at Deutsche Bank. We're seeing some AI-powered fragrance companies emerging. Why do you think this shouldn't be a threat to your business?

Steve Foots – Group Chief Executive

Yeah. I think every board in the world is looking at AI in different ways, and we're as excited as anybody else about AI. And it's no surprise probably to the room that our focus is on innovation and how does it help us with innovation. And actually, in Fragrances, we are working with this and embracing that. And actually, it's a real strength and then we see it as a positive because we're taking fragrances and mapping formulations and vice versa and getting products to market quickly. And our model is getting over 2,500 references to customers on a

monthly basis. So, we see this as powering our model rather than threat. And I think AI more broadly is exciting. We see it as a net opportunity for us. It can drive the screening programs. It can help us with thinking about claims. It can get products to market quicker for us. So, that's how we view AI. Chetan, with your left hand.

Chetan Udeshi – JP Morgan

A couple of follow-ups. First one was I heard Stephen talk about raising the minimum order value from customers. Isn't that completely the opposite of what your small customers actually like from you, which is not a commitment on volumes or value? And the second question was, there's a little bit of question mark right now on what's happening in the ag ecosystem. And I do know this has been a big driver of volumes for Croda in terms of recovery in the last 18 months. Are you seeing any shift in the momentum in that market?

Steve Foots – Group Chief Executive

Yeah. Well, let's do the tail. I mean, the two points, what we're doing in the tail is it's the tail-tail, by the way. But there's two things we're doing there. One is to improve profitability. We think we can. Minimum order quantities, we can apply because we can and we should. And separately, as Stephen mentioned, it's the lower cost to serve, putting them on portals and online and scaling that. We are there but we just want to scale a little. We think there's a better way of managing that. And separately, which is probably more beneficial to us, is simplifying the tail as well. And we're talking about product SKUs. So, for some products we have multiple specifications for individual products and we have multiple packs for individual products. That's Croda through and through. All we're saying at the tail, we're trying to streamline that a bit more because that would be advantageous for us to get better throughput through the factory, nothing more than that. So, it's spring cleaning, but there's a target on profitable growth there.

Ag, I mean, look, its gone through four years of unusual trading, so two years of boom and two years of reset. I think all we're saying there now is, look, I think stock levels are broadly where you would expect them to be across the crop environment. Don't forget we're in Europe, North America and Brazil. So we would see that as a more normalized growth rate now. Like you saw from Croda 2010 to 2020, it was growing about 5%. It has the seasonality and the cyclical, but it's actually quite a normal – it grows pretty much that similar each year. So, that's all we're saying. We're expecting that to moderate to its normal levels now.

David Bishop – Director of Investor Relations

No further questions on the webcast.

Steve Foots – Group Chief Executive

Okay. Well, thanks very much. Thanks for coming as well. I mean, we'll see you April 22. The big things for Croda, what you've heard all through the session is it's about growth and transformation. Transformation is in our hands, but we have also got good growth with encouraging signs. It's early days, but we're focused as a management team on driving that growth and driving returns for everybody. So, we'll stop there. We'll come back to you with deep dive timings for Pharma through the year. But thanks again.

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