Disclaimer

Cautionary statement
This review is intended to focus on matters which are relevant to the interests of shareholders in the Company. The purpose of the review is to assist shareholders in assessing the strategies adopted and performance delivered by the Company and the potential for those strategies to succeed. It should not be relied upon by any other party or for any other purpose. Forward looking statements are made in good faith, based on a number of assumptions concerning future events and information available to the Directors at the time of their approval of this report. These forward looking statements should be treated with caution due to the inherent uncertainties underlying such forward looking information. The user of this review should not rely unduly on these forward looking statements, which are not a guarantee of performance and which are subject to a number of uncertainties and other facts, many of which are outside the Company’s control and could cause actual events to differ materially from those in these statements. No guarantee can be given of future results, levels of activity, performance or achievements.

Alternative Performance Measures (APMs)
We use a number of APMs to assist in presenting information in this statement in an easily analysable and comparable form. We use such measures consistently at the half year and full year, and reconcile them as appropriate. Whilst the Board believes the APMs used provide a meaningful basis upon which to analyse the Group’s financial performance and position, which is helpful to the reader, it notes that APMs have certain limitations, including the exclusion of significant recurring items, and may not be directly comparable with similarly titled measures presented by other companies. The measures used in this presentation are defined in Croda’s results statement for the year ended 31 December 2022.

Market information
Market sizes and growth rates are company estimates informed by a range of third party sources.
Agenda

01. A record performance
02. Consistent execution
03. Portfolio shift to faster growth niches
04. Questions
01 A record performance
Overview

A record financial performance

Highlights
- Record sales and profit
- Strong sector performances
- Powerful operating model
- Consistent execution

A milestone year
- Transitioned portfolio
- Aligned with megatrends
- Investing in innovation pipeline
### Powerful operating model and consistent execution...

<table>
<thead>
<tr>
<th>Sales</th>
<th>Operating profit</th>
<th>Profit before tax</th>
<th>Full year dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>+11%</td>
<td>+10%</td>
<td>+11%</td>
<td>+8%</td>
</tr>
<tr>
<td>£2,089m</td>
<td>£515m</td>
<td>£496m</td>
<td>108p</td>
</tr>
</tbody>
</table>

- Price / mix driven
- Successful inflation recovery
- Sales growth driven
- Currency benefit
- Lower finance costs
- Record result
- >30 year progression

7% CAGR since 2012
7% CAGR since 2012
8% CAGR since 2012
6% CAGR since 2012

Reported currency. Profit measures are on an adjusted basis.
Consumer Care
demonstrating increased resilience
- Record sales and adjusted operating profit
- Strong solar protection and ECO bio-based surfactant growth in Beauty Care
- Good emerging market growth in F&F
- Shift to sustainable ingredients
- Standout H1 performance; H2 slower due to:
  - Customer destocking post strong 2021 demand
  - Mainly North America
  - Capacity constraints / selective demarketing

Life Sciences
building on exceptional prior year
- All businesses grew double digit percentage excluding lipid system sales for Covid-19 vaccines
- Crop Protection excellent
- Extensive pipeline in non-Covid delivery systems
- Pharma repositioned to focus on technologies with fastest growth and innovation needs
- Reinforcing leadership in sustainable delivery systems in Crop
- Empowering biologics delivery

...and continued sector growth
Overview

...with rapid strategic progress

- **Fast grow Asia**
  - Building knowledge, infrastructure and now Solus

- **Expand Life Sciences**
  - Fast growth in Pharma / Crop innovation pipelines

- **Strengthen Consumer Care**
  - Shift to sustainable ingredients and Asia

**Scale biotechnology**
- >100 biotech-derived products

**Proactive M&A**
- Scouting network / evolving pipeline

**Doing the basics brilliantly**
- Good Net Promoter Scores

**Smart science to improve lives™**

---

Smart science to improve lives™
...and excellent progress on sustainability targets

<table>
<thead>
<tr>
<th>Climate Positive</th>
<th>Land Positive</th>
<th>People Positive</th>
<th>Fundamentals</th>
<th>Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 &amp; 2 emissions</td>
<td>Protecting biodiversity</td>
<td>Sun protection</td>
<td>Sustainable sourcing</td>
<td>Employee survey</td>
</tr>
<tr>
<td>-20% reduction since 2018 baseline</td>
<td>Net Nature Positive</td>
<td>61 million lives protected</td>
<td>81% key suppliers engaged</td>
<td>74% recommend Croda as a place to work</td>
</tr>
<tr>
<td>Seeing first benefits from decarbonisation</td>
<td>Early adopter in sector of SBT for Nature</td>
<td>Met target 7 years early</td>
<td>Key to reducing footprint of our products</td>
<td>New employee engagement metric for remuneration</td>
</tr>
</tbody>
</table>
...and positive impact of giving back to our communities

British Asian Trust
Vaccinated 14m people across 5 states in India

Gavi vaccine alliance
Helping to vaccinate c100,000 people against Covid-19 in >20 countries

Instituto Amazonas
Improving food security for >7,000 people

Beyond suncare
Training 90 health workers on albinism and skin cancer prevention in Uganda

Overview

Croda Foundation is supporting 21 projects in 19 countries with nearly 15m beneficiaries
02 Consistent execution

Jez Maiden
Group Finance Director
### Financial results

#### Consistent execution delivers record performance

<table>
<thead>
<tr>
<th>Adjusted results, £m</th>
<th>FY/22 reported</th>
<th>FY/21 reported</th>
<th>% change</th>
<th>% change constant currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>2,089.3</td>
<td>1,889.6</td>
<td>10.6%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>515.1</td>
<td>468.6</td>
<td>9.9%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Return on sales</td>
<td>24.7%</td>
<td>24.8%</td>
<td>(10)bps</td>
<td>-</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>496.1</td>
<td>445.2</td>
<td>11.4%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>272.0p</td>
<td>250.0p</td>
<td>8.8%</td>
<td>-</td>
</tr>
<tr>
<td>Ordinary dividend per share</td>
<td>108.0p</td>
<td>100.0p</td>
<td>8.0%</td>
<td>-</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>167.4</td>
<td>153.6</td>
<td>9.0%</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reconciliation to IFRS, £m</th>
<th>FY/22 reported</th>
<th>FY/21 reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted PBT</td>
<td>496.1</td>
<td>445.2</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(37.8)</td>
<td>0.6</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>(34.3)</td>
<td>(34.3)</td>
</tr>
<tr>
<td>Gain on business disposal</td>
<td>356.0</td>
<td>-</td>
</tr>
<tr>
<td>Reported PBT</td>
<td>780.0</td>
<td>411.5</td>
</tr>
</tbody>
</table>

Reported currency except where stated.
**Financial results**

**Underlying sales growth driven by price / mix**

**Sales, £m**

<table>
<thead>
<tr>
<th></th>
<th>FY/21 reported currency</th>
<th>Price / mix</th>
<th>Retained volume</th>
<th>PTIC divestment volume</th>
<th>Acquisitions</th>
<th>Currency translation</th>
<th>FY/22 reported currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic growth</td>
<td>1,890</td>
<td>24%</td>
<td>(6)%</td>
<td>(13)%</td>
<td>1%</td>
<td>5%</td>
<td>2,089</td>
</tr>
</tbody>
</table>

**Reported growth +11%**

|                | 2,089                   | 1%           |

**Divestment impact***

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
<th>2022 reported</th>
<th>Divestment Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>2,089</td>
<td>(191)</td>
<td></td>
</tr>
<tr>
<td>Adjusted operating profit</td>
<td>515</td>
<td>(39)</td>
<td></td>
</tr>
</tbody>
</table>

---

*Had PTIC divestment occurred on 01/01/2022. Management estimates of divestment impact.
Financial results

Record profit delivery

Adjusted operating profit, £m

Reported growth +£46m

+53  (27)  +1  +19

515

469

FY/21 reported currency  Organic growth  PTIC divestment  Acquisitions  Currency translation  FY/22 reported currency

Divestment impact*

<table>
<thead>
<tr>
<th>£m</th>
<th>2022 reported</th>
<th>Divestment Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>2,089</td>
<td>(191)</td>
</tr>
<tr>
<td>Adjusted operating profit</td>
<td>515</td>
<td>(39)</td>
</tr>
</tbody>
</table>

*Had PTIC divestment occurred on 01/01/2022. Management estimates of divestment impact.
Financial results

Strong performance in Asia, Western Europe & Latin America

Underlying sales growth (%)

- Asia: +10%
- Western Europe: +5%
- Latin America: +19%
- Eastern Europe: 0%
- North America: (3)%

Reported sales growth (%)

- Asia: +16%
- Western Europe: +5%
- Latin America: +32%
- Eastern Europe: +6%
- North America: +7%

Destination sales. Eastern Europe includes Middle East and Africa.

Underlying sales growth excludes currency translation and acquisitions.

• Asia achieved record year – including modest growth in China
• Robust demand in Western Europe
• Growth in Latin America, led by Crop
• Negative impact in Eastern Europe from closure of Russia
• North America impacted by destocking and lower Covid-19 demand
Profit growth across all sectors

**Financial results**

### Growth in sales (%)
- **Consumer Care**: +18%
- **Life Sciences**: +19%
- **Industrial Specialties**: +11%
- **Group**: +10%

### Growth in operating profit (%)
- **Consumer Care**: +9%
- **Life Sciences**: +10%
- **Industrial Specialties**: +13%
- **Group**: (8)%

### Return on sales (%)
- **Consumer Care**: 22.8% -190bps
- **Life Sciences**: 33.6% -280bps
- **Industrial Specialties**: 15.9% +300bps
- **Group**: 24.7% -10bps

Reported currency and adjusted results.
Financial results

Consumer Care performance demonstrating increased resilience

- Input cost inflation recovery
- Growth in Beauty Care and Fragrances
- Reduced volume:
  - Destocking in H2
  - Capacity constraints leading to demarketing

Sales, £m

<table>
<thead>
<tr>
<th>FY/21</th>
<th>Price / mix</th>
<th>Volume</th>
<th>Acquisitions</th>
<th>Currency translation</th>
<th>FY/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>763.0</td>
<td>22%</td>
<td>(12)%</td>
<td>2%</td>
<td>6%</td>
<td>897.8</td>
</tr>
</tbody>
</table>

Underlying growth +10%

Reported growth +18%

(5)%

(5)%

(1)%

(1)%

Customer destocking
Capacity constraints
Exit from Russia
Other

Reported currency.
Financial results

Record profit in Consumer Care

Adjusted operating profit, £m

<table>
<thead>
<tr>
<th>FY/21</th>
<th>Underlying growth</th>
<th>Acquisitions</th>
<th>Currency translation</th>
<th>FY/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>188.5</td>
<td></td>
<td></td>
<td></td>
<td>204.7</td>
</tr>
</tbody>
</table>

- 8.8
- 0.7
- 6.7

• Successful inflation recovery
• Underlying profit growth – Personal Care driven
• Margin dilution:
  - Lower volume
  - Business mix
  - Divestment dis-synergy

Reported currency.
Financial results

Life Sciences building on exceptional prior year

Sales, £m

Reported growth +19%

Underlying growth +14%

<table>
<thead>
<tr>
<th>FY/21</th>
<th>Price / mix</th>
<th>Volume</th>
<th>Acquisitions</th>
<th>Currency translation</th>
<th>FY/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>572.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>682.3</td>
</tr>
</tbody>
</table>

- Double digit percentage growth in Crop Protection, Seed Enhancement and non-CV19 Pharma
- More than offset anticipated CV19 lipid decline
- Return on sales diluted by mix and CV19 normalisation

Total lipid system sales by year, $m

- 2021: ~230
- 2022: ~170
- 2023: ~120
- 2024: ~120
- 2025+: Return to growth

Reported currency.
Financial results

Improving free cash flow

<table>
<thead>
<tr>
<th>Cash flow, £m</th>
<th>FY/22</th>
<th>FY/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>601.5</td>
<td>547.6</td>
</tr>
<tr>
<td>Working capital</td>
<td>(133.8)</td>
<td>(102.5)</td>
</tr>
<tr>
<td>Net capital expenditure</td>
<td>(138.5)</td>
<td>(158.5)</td>
</tr>
<tr>
<td>Interest &amp; tax</td>
<td>(148.9)</td>
<td>(129.8)</td>
</tr>
<tr>
<td>Other operating items</td>
<td>(12.9)</td>
<td>(3.2)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>167.4</td>
<td>153.6</td>
</tr>
<tr>
<td>Dividends</td>
<td>(144.4)</td>
<td>(132.5)</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>(21.2)</td>
<td>(58.8)</td>
</tr>
<tr>
<td>Business disposal</td>
<td>579.0</td>
<td>-</td>
</tr>
<tr>
<td>Other cash movements</td>
<td>(18.5)</td>
<td>19.0</td>
</tr>
<tr>
<td>Net cash flow</td>
<td>562.3</td>
<td>(18.7)</td>
</tr>
</tbody>
</table>

- Strong EBITDA growth
- Working capital outflow reflecting inflation
  - Improvement in H2/22
- Capex below guidance – Pharma phasing
- Net debt £295m (leverage 0.5x)

Working capital change, £m

- Pricing impact at constant days cover
- Supporting growth
- FY/22 working capital increase
Guided by a clear capital allocation policy

1. Reinvest for organic growth
   - Typical capex ~6% of sales
   - Additional £175m Pharma investment (2021-2024)

2. Provide regular returns to shareholders
   - Increased full year dividend by 8% to 108.0p
   - >30 year dividend growth

3. Acquire disruptive technologies
   - Agreed acquisition of Solus Biotech (c£232m)
   - Expands fast growth Beauty Actives business in Asia

4. Maintain an appropriate balance sheet and return excess capital
   - Leverage reduced to 0.5x (H1/22: 0.6x)
   - Targeting leverage of 1-2x over medium term
03 Portfolio shift to faster growth niches
Strategic progress

Portfolio realigned with exciting megatrends

Megatrends
- Health & wellbeing
- Feeding the planet
- Living sustainably

Technology trends
- Move to biologics
- Sustainable ingredients

Portfolio change
- Expand Life Sciences
- Strengthen Consumer Care
- Refine Performance Technologies

Moving to pure play Consumer Care and Life Sciences ingredients business

Acquisition of Solus Biotech subject to regulatory approval. Cargill logo sourced from website.
Creating bigger niches and higher growth

7 dynamic businesses

- Pharma
- Crop Protection
- Seed Enhancement
- Beauty Actives
- Beauty Care
- F&F
- Home Care

Bigger niches

<table>
<thead>
<tr>
<th>Industry niche</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small molecules</td>
<td>5%</td>
</tr>
<tr>
<td>Proteins</td>
<td>10%</td>
</tr>
<tr>
<td>Nucleic acid</td>
<td>&gt;20%</td>
</tr>
<tr>
<td>Biopesticides</td>
<td>8%</td>
</tr>
</tbody>
</table>

Well balanced portfolio

- Pharma
- Crop
- Seed
- Beauty Actives
- Beauty Care
- F&F
- Home Care

and well balanced geographic footprint

- Europe
- N America
- Latam
- Asia

Bigger niches, bigger opportunities, higher sales growth

CAGRs (compound annual growth rates) cover different time periods. 2025 pie charts are management estimates.
2023 strategic priorities

Fast grow Asia
Invest in India, Singapore and North Asia

Expand Life Sciences
Convert Pharma pipeline

Strengthen Consumer Care
Launch Scope 3 ingredient index

Scale biotechnology
Commercialise NPP

Proactive M&A
Target assets with rich IP, fast growth niches, clever people

Doing the basics brilliantly
Automate systems / processes

NPP is New and Protected Products.
Strengthening Consumer Care with fast growth in Asia

Investing to deliver fast growth in Asia
Capital expenditure outside Europe and N America

Approved capex:
- £20m Singapore
- £50m Dahej, India

Consumer Care sales in Asia

> 50% CAGR
2020 2021 2022

> 30% CAGR
2020 2021 2022

Reported sales growth.
## Consumer Care

**Strengthening Consumer Care with biotech innovation**

### Beauty Actives
- **Nautil anti-ageing active**
  - Blue biotech-derived skin active
  - For skin oxygenation
  - Developed by Nautilus

- **Monar to combat dark spots**
  - Green biotech-derived skin active
  - For skin pigmentation disorders
  - IRB’s bergamot plant cell culture

### Beauty Care
- **Hair care actives**
  - Non-animal keratin for hair care
  - Open innovation projects with leaders in synthetic biology

### Home Care
- **Probiotic cleaning**
  - Microbials to break down dirt
  - Degrade sources of malodour
  - Used throughout home / on fabrics
Strengthening Consumer Care with Solus Biotech acquisition

- Global leader in biotech-derived skin actives
- 30 years’ experience in fermentation
- 95 people; R&D / manufacturing
- 3 exciting natural technology platforms with strong IP – ceramides, phospholipids, and retinol
- c£28m sales in 2022; targeting 5x growth over 5 years
- Croda formulation expertise and global sales network will accelerate growth

High growth ceramides market led by Asia

Big jump in category leader product launches containing ceramides

Acquisition of Solus Biotech subject to regulatory approval.

CRODA
Smart science to improve lives™
Consumer Care

Solus Biotech – a strategic bullseye

Excellent alignment with strategic priorities

- Strengthens Beauty Actives naturals portfolio
- Increases exposure to prestige / premium

- GMP-certified production in high growth Asia market
- ‘Plug & play’ lipids for parenteral drugs
- Accelerates delivery of Avanti pharma pipeline

- New biotech R&D hub in Asia
- First manufacturing site in South Korea

Acquisition of Solus Biotech subject to regulatory approval.
**Life Sciences**

**Expanding Life Sciences with innovation-led growth in Crop**

---

### Conventional pesticides

$60bn market; 3% CAGR

*Market need – sustainable delivery*

Croda strategy – low carbon, bio-based, biodegradable

### Biopesticides

$5bn; 8% CAGR

*Market need – transition to biopesticides*

Croda strategy – biopesticide delivery

### Seed Enhancement

$5bn; 8% CAGR

*Market need – improved seed germination*

Croda strategy – sustainability, combating abiotic stress, regenerative agriculture

---

**Carbon reduction award**

Recognition of

- Product benefit-in-use
- Benefits from our sustainability strategy

**Biofungicide**

Reduced impact

- More specific / targeted
- Used at lower rate
- Protects against resistance

**Microplastic-free coatings**

- EU legislation 2028
- >£10m extra sales expected
- First-to-market; extensive field trials
- £1m incremental sales already delivered
# Generating revenue across the drug lifecycle

<table>
<thead>
<tr>
<th></th>
<th>Revenue earning</th>
<th>Non revenue earning today</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales for pharma / biotech / generic drugs already on the market</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Clinical development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales for pharma / biotech drugs undergoing clinical trials</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Drug discovery/research</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sample quantities to universities, contract research, pharma &amp; biotech</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Croda innovation pipeline</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Croda future technology launches; no customers today</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Croda innovation pipeline

- **Protein/Small Molecule**
- **Adjuvant Systems**
- **Nucleic Acid Delivery**

### Pharma 2022 sales growth

- >10% ex Covid-19

### Customer projects

- c1,800

### Total customers

- c5,000

### 2030 ambition

- £1bn Pharma business

### Strong foundation

- Underpins expected growth

### New opportunities

- New potential 2025+

---

**Life Sciences**

**CRODA**

Smart science to improve lives™
Generating revenue across the drug lifecycle – examples

**Case studies**

- **Protein Delivery**
  - Herceptin for breast cancer
    - mAb treatment for breast and stomach cancer

- **Nucleic Acid Delivery**
  - mRNA flu vaccines
    - Supporting phase 3 trials
    - Working on multiple mRNA flu vaccine projects

- **Protein Delivery**
  - Blood/brain barrier research
    - Carrier technology across the blood/brain barrier
    - For rare diseases

- **Adjuvant Systems**
  - New adjuvant systems
    - 2 cationic adjuvant systems
    - Proven in clinical trials for cancer immunotherapy

**Croda innovation pipeline**

**Commercial**

**Clinical development**

**Drug discovery/research**
Summary

Outlook

• Group is trading in line with expectations
• Consumer Care – continued sales growth; destocking should end in first half year
• Life Sciences – good sales growth in Crop and non-Covid Pharma business
• 2023 performance more second half weighted than prior year – PTIC divestment and phasing of Covid-19 lipid shipments
• Continue to deliver consistent, superior returns

Key takeaways

• Pivotal shift in portfolio
• Bigger opportunities
• Transformative pharma pipeline
• Strong balance sheet

Conclusion
04 Questions
05 Additional financial information
## Additional financial information

### IAS 19 retirement benefits

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2022</th>
<th>30 Jun 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market value of assets</td>
<td>969.3</td>
<td>1,107.6</td>
</tr>
<tr>
<td>Value of liabilities</td>
<td>(869.2)</td>
<td>(999.5)</td>
</tr>
<tr>
<td>Surplus pre tax</td>
<td>100.1</td>
<td>108.1</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>(24.9)</td>
<td>(27.2)</td>
</tr>
<tr>
<td>Surplus post tax</td>
<td>75.2</td>
<td>80.9</td>
</tr>
</tbody>
</table>
Currency exposure

Currency translation

- Favourable profit impact in FY/22 as Sterling weakened
- FY/22 average rates:
  - €1.174 (FY/21: €1.164)
- Average annual impact:
  - £1.4m per $cent pa
  - £1.2m per €cent pa
- US$ and € represent approximately 70% of currency translation exposure