



Croda H125 results presentation

DELIVERING ON OUR PLAN TO GROW
EARNINGS AND IMPROVE RETURNS

29 July 2025



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 half year ended 30 June 2025.

MARKET INFORMATION

Market information is company compiled informed by a range of third party sources.

Executive summary

Steve Foots
Chief Executive Officer



Agenda



- 1 Executive summary
- 2 Financial performance
- 3 Progress on 5-point plan
- 4 Q&A
- 5 Appendices

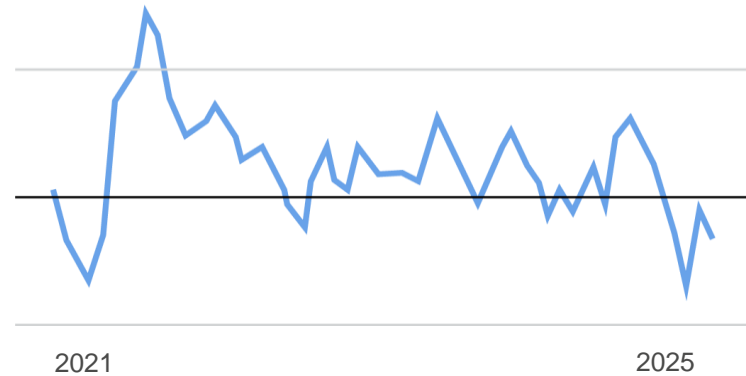
Good sales growth; FY25 outlook unchanged

- Sales +7%; sales volumes +11%, price/mix -4%
- Adjusted operating profit +12%
- Adjusted PBT £138.0m or £142.5m at constant currency
- Expectations for the year remain unchanged
- Delivering on our 5-point plan to grow earnings and improve returns
- Identified £60m further savings; total benefits £100m pa by end 2027

Trading environment

BEAUTY

US consumer confidence¹
Indexed to 100

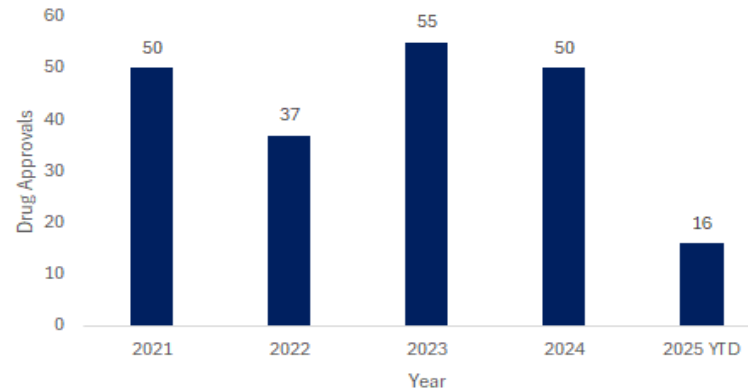


- Fragile US consumer confidence
- Other regions more stable

Croda Beauty sales +3%

PHARMA

US FDA approvals²

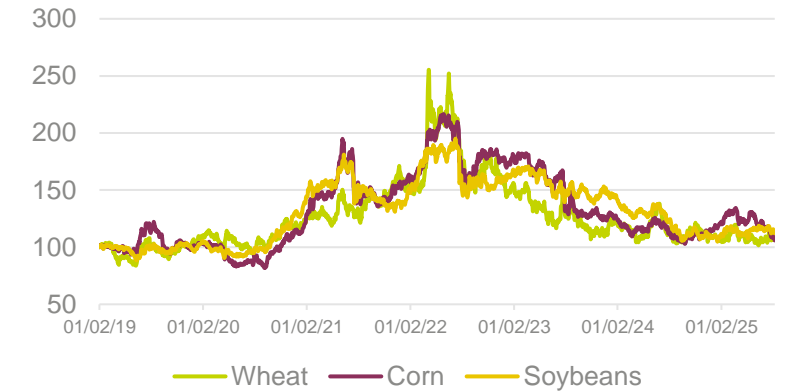


- Consumer health improving slowly
- US regulatory environment creating uncertainty for our Pharma customers

Croda Pharma sales +5%

AGRICULTURE

Field crop prices³



- 'Big 4' customers buying again
- Crop commodity prices lower but stable

Croda Agriculture sales +13%

Financial performance

Stephen Oxley
Chief Financial Officer



Group performance summary

SALES

£855.8m

Up 7% (constant FX)

ADJUSTED
OPERATING PROFIT

£146.9m

Up 12% (constant FX)

ADJUSTED PROFIT
BEFORE TAX

£138.0m

Up 12% (constant FX)

IFRS PROFIT
BEFORE TAX¹

£85.5m

H124: £106.1m

FREE
CASH FLOW

£34.2m

H124: £122.7m²

ADJUSTED EPS

72.2p

Up 5%

NET DEBT

£580.1m

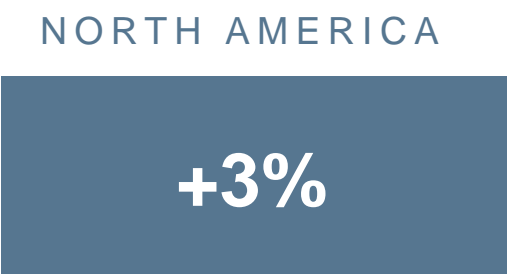
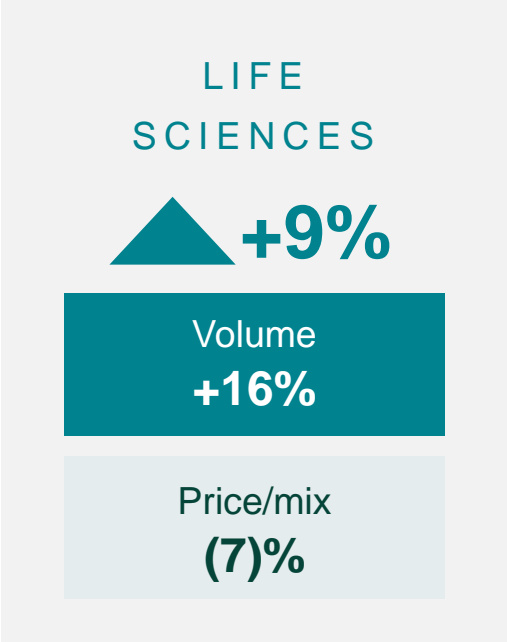
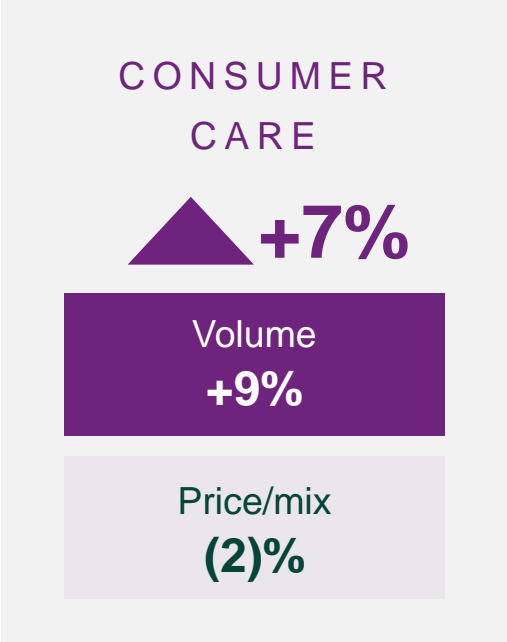
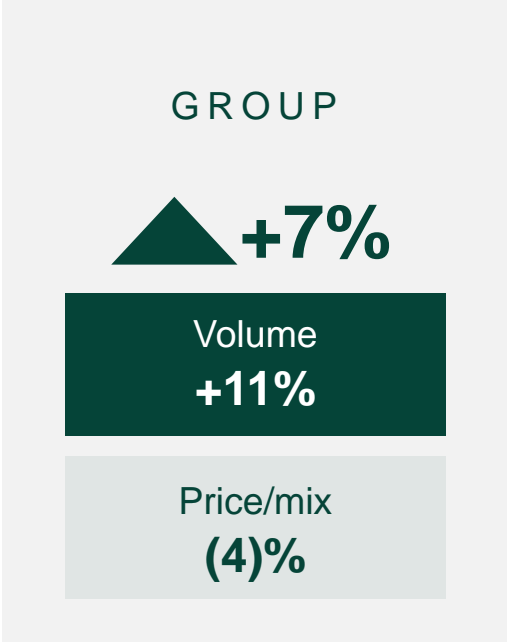
Leverage 1.5x EBITDA

INTERIM DIVIDEND
PER SHARE

48.0p

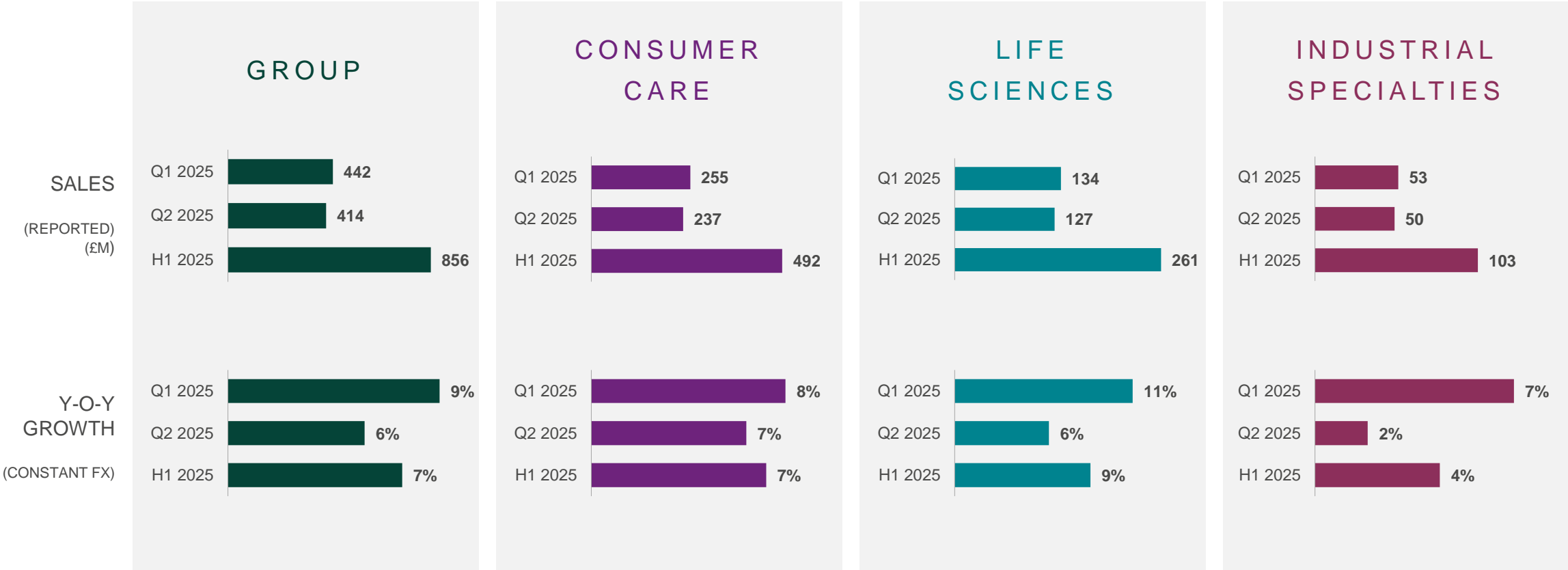
Up 2%

Good sales growth in all businesses and all regions



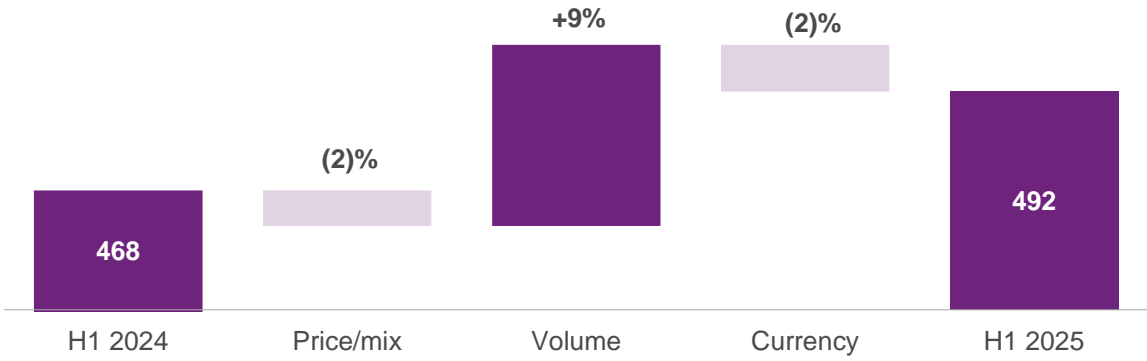
Sales growth at constant currency unless stated

Q2 sales growth normalising after a strong Q1



Consumer Care

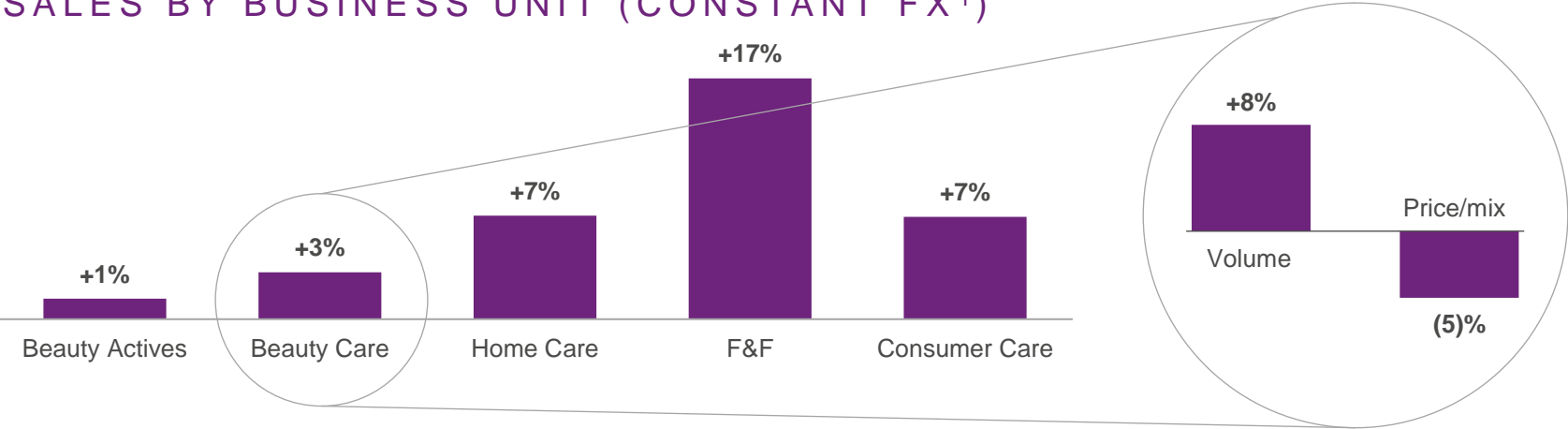
CONSUMER CARE SALES



HIGHLIGHTS

- 7% increase in sales¹ driven by volumes
- NPP sales grew 4%¹; 41% of total sales (H124: 42%)
- Sales to L&R customers increased 11%¹
- Adjusted operating profit up 7%¹ to 85.7m (H124: £82.5m)
- Operating margin of 17.4% (H124: 17.6%); adversely impacted by mix despite volume growth

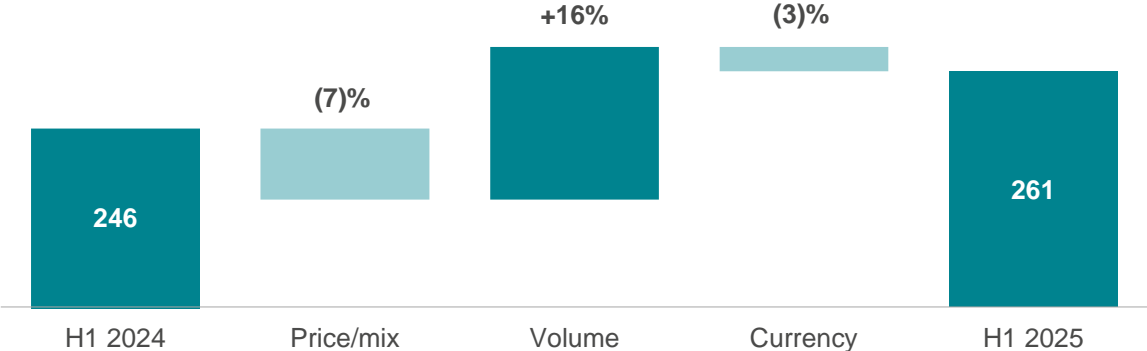
SALES BY BUSINESS UNIT (CONSTANT FX¹)



¹Constant currency where indicated

Life Sciences

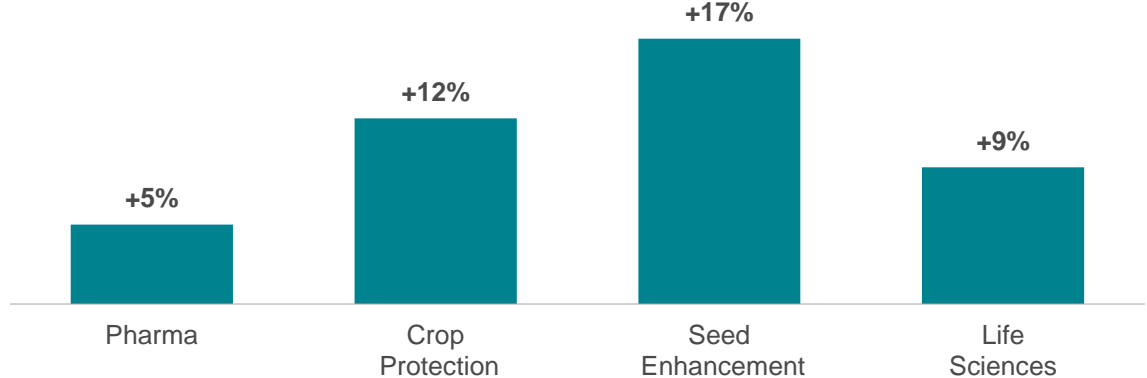
LIFE SCIENCES SALES



HIGHLIGHTS

- 9% increase in sales¹ driven by Agriculture businesses
- NPP sales fell to 28% of total sales (H124: 31%); reflects strong growth of non-NPP Crop Protection ingredients
- Adjusted operating profit £56.1m (H124: £45.0m), up 30%¹
- Operating margin improved to 21.5% (H124: 18.3%); principally due to higher sales volumes

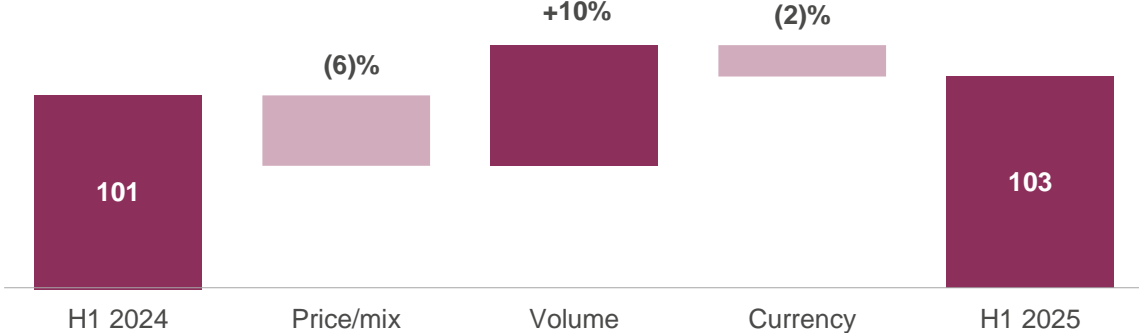
SALES BY BUSINESS UNIT (CONSTANT FX¹)



¹Constant currency where indicated

Industrial Specialties

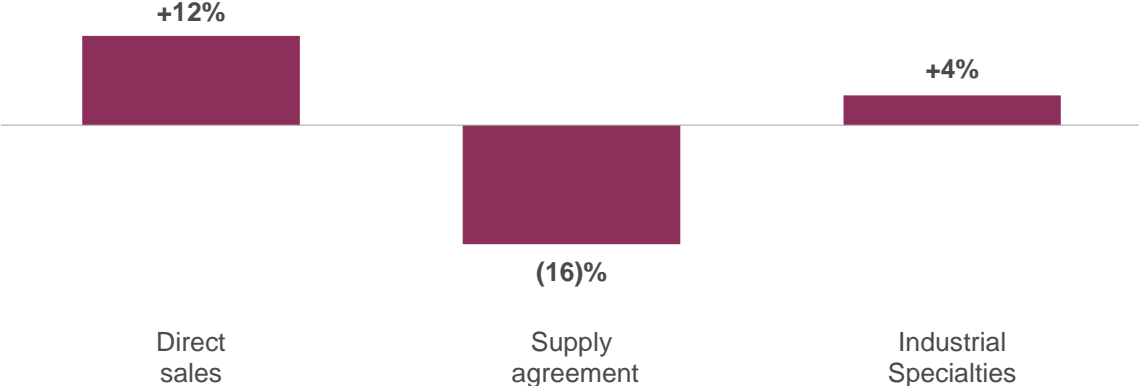
INDUSTRIAL SPECIALTIES SALES



HIGHLIGHTS

- Contributing to the efficiency of our shared manufacturing sites
- 4% increase in sales; higher direct sales partially offset by lower supply agreement sales
- Adjusted operating profit of £5.1m (H124: £8.1m)
- Operating margin of 5.0% (H124: 8.0%); reflects favourable product mix in the prior year

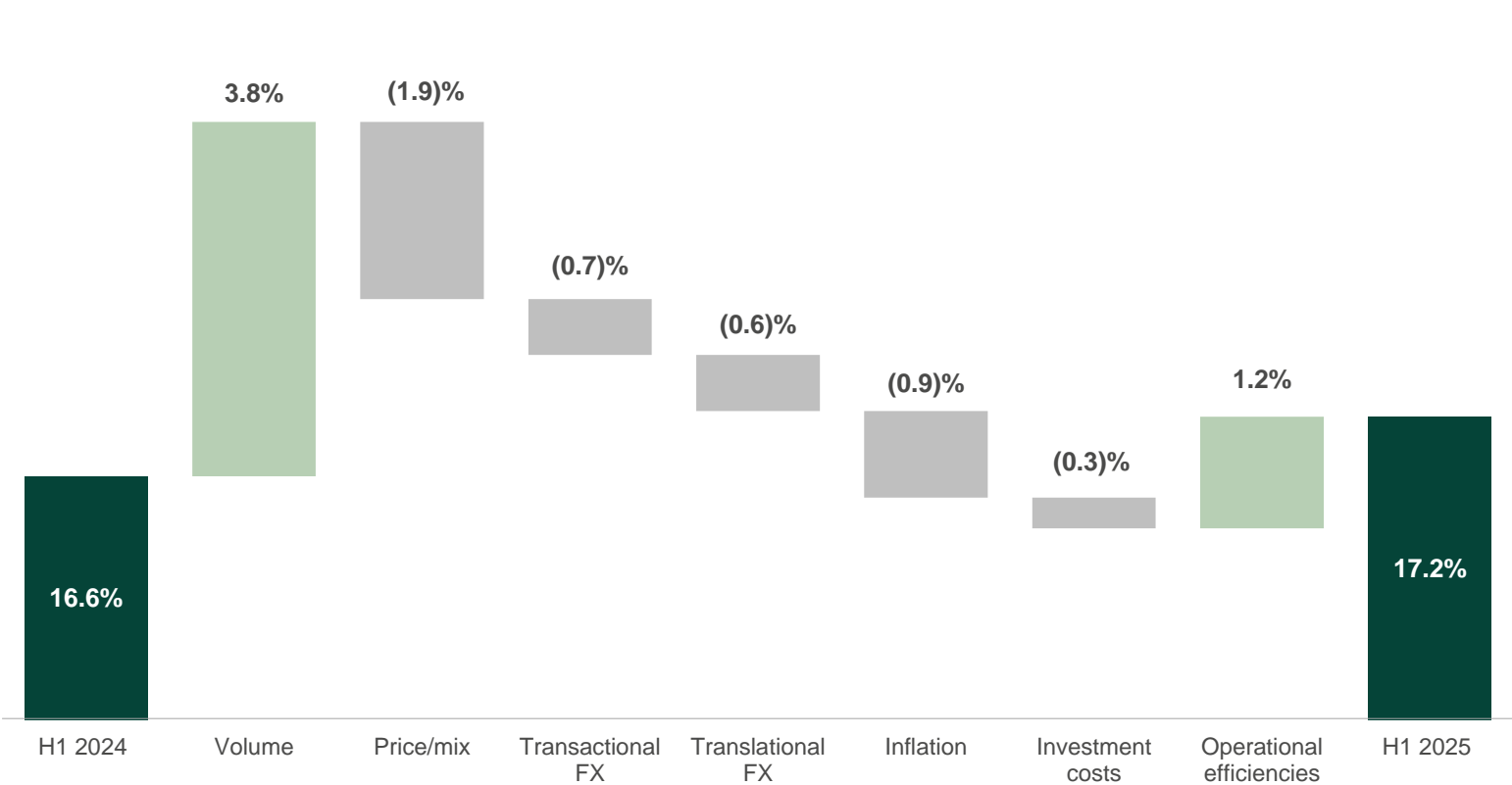
SALES BY CHANNEL (CONSTANT FX¹)



¹Constant currency where indicated.

Operating margin bridge

ADJUSTED OPERATING MARGIN (%)



2025 COST SAVINGS ON TRACK

2025 benefits vs 2024 baseline

	2025
Pre-tax benefit	£25m
Cash cost ¹	£(15)m

Benefits derived from:

- Payroll costs
- Other opex

~£10m pre-tax benefits in H125

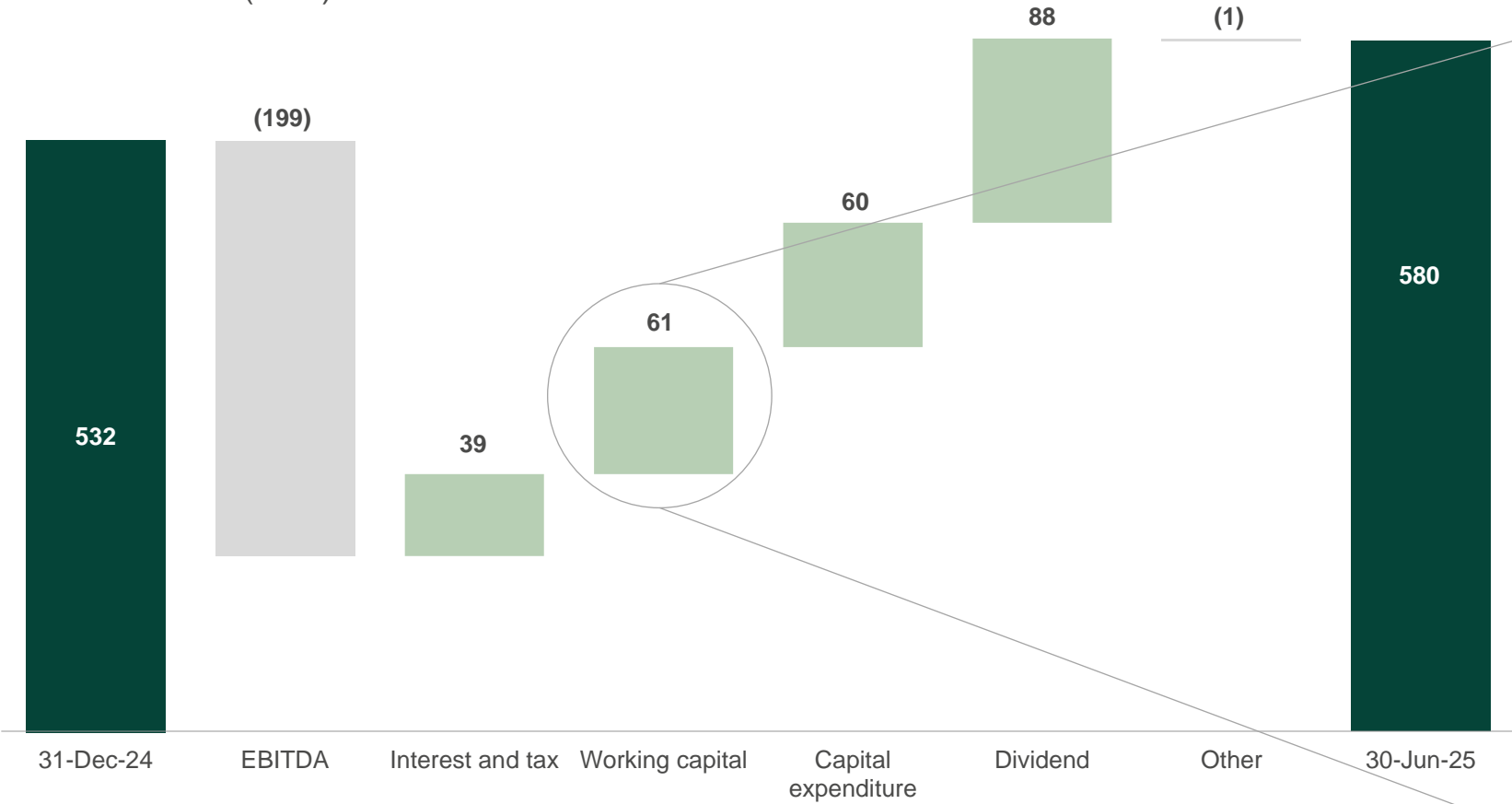
Efficiency benefits largely offset inflation² and incremental costs of investments coming online



¹Cash costs expected to be taken as exceptional restructuring charges
²In addition to inflation, remuneration charge is variable and may be an additional headwind depending on financial and share price performance

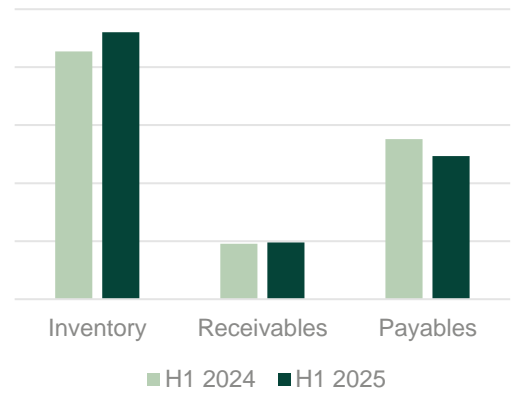
Modest increase in net debt driven by working capital

NET DEBT (£M)



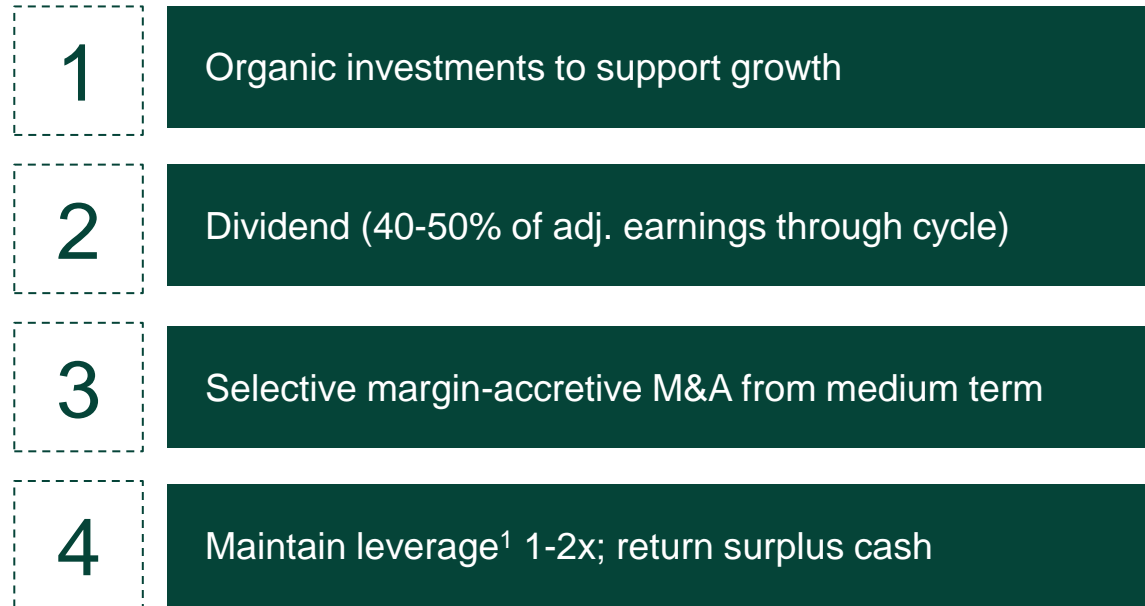
CASH FLOW	£ M
Inventories	(35.0)
Receivables	(30.7)
Payables	5.0
Working capital	(60.7)

Days cover

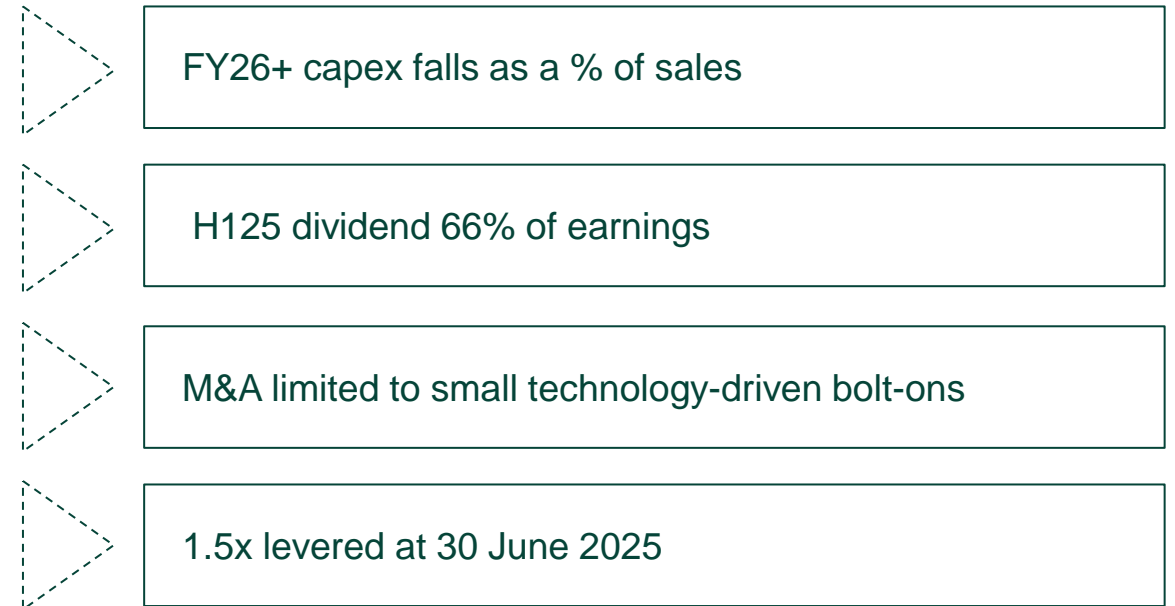


Improving capital management

CAPITAL ALLOCATION FRAMEWORK



IMPROVED CAPITAL DISCIPLINE



Reiterating guidance for 2025

FY25 OUTLOOK (CONSTANT CURRENCY)

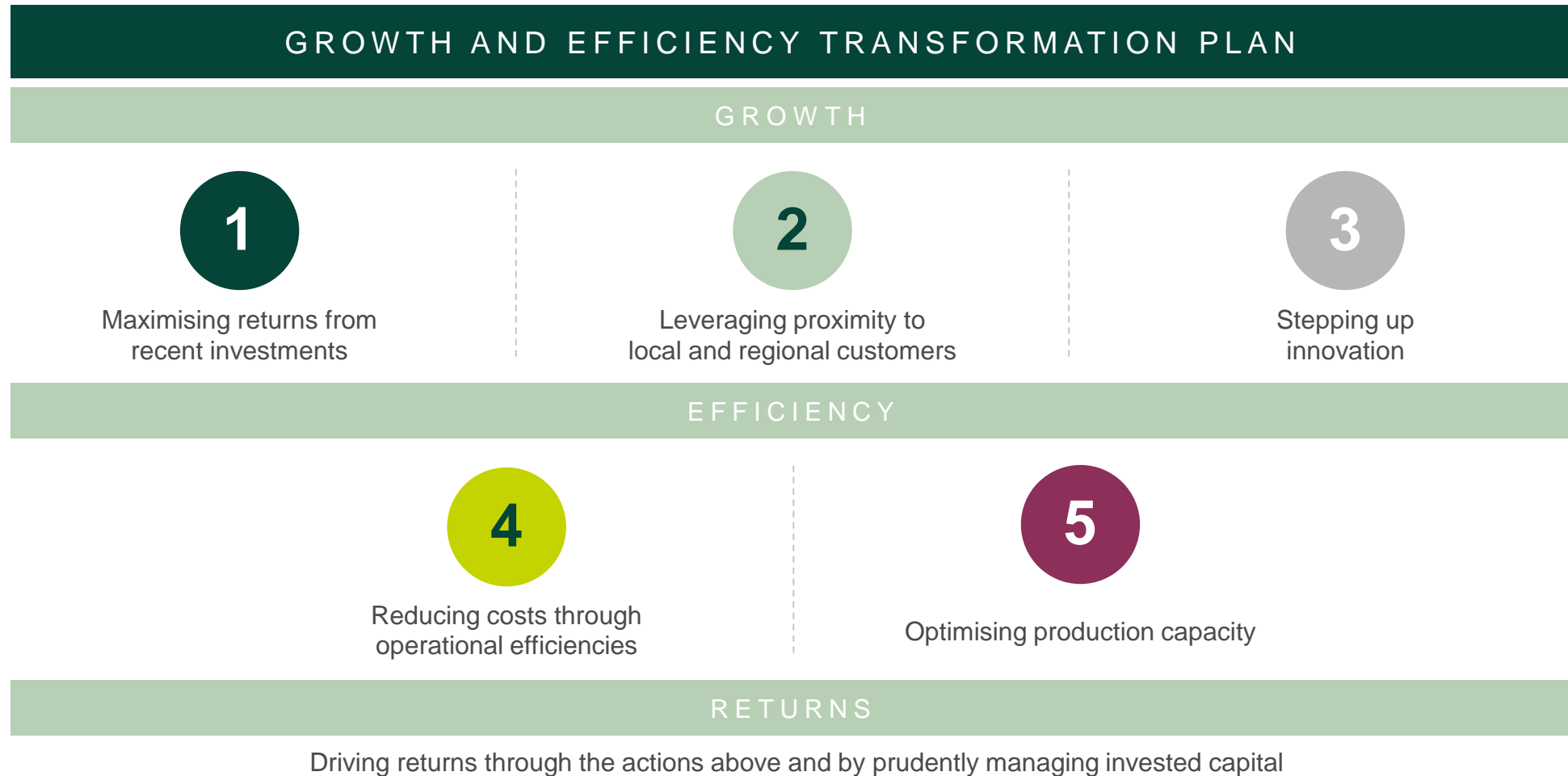
- Overall Group performance in line with expectations in H125
- Unpredictable political and economic environment
- Continue to expect to deliver Group adjusted profit before tax between £265m and £295m in FY25 at constant currency
- Anticipating an adverse impact from currency translation on full year adjusted operating profit of approximately £10m*
- Will report Q3 sales on 16 October 2025

Progress on five-point plan

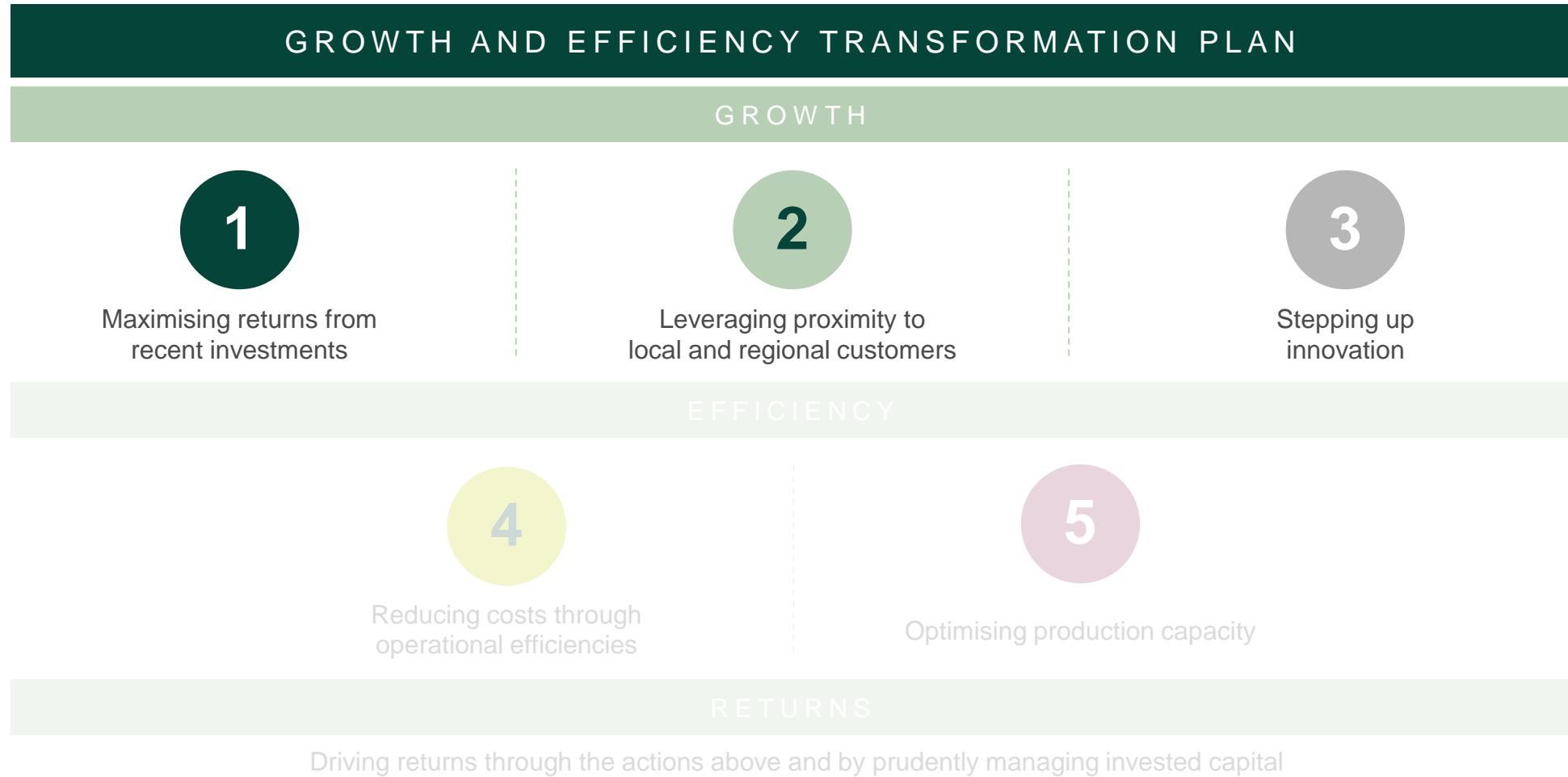
Steve Foots, Chief Executive Officer
Stephen Oxley, Chief Financial Officer



Delivering our 5-point plan to improve earnings and returns



Delivering our 5-point plan to improve earnings and returns



Maximising returns from recent investments

CERAMIDES FROM SOLUS – COMMERCIALISATION TAKEN LONGER

Actions:

- Exited distributor agreements
- Upgrading data for existing ceramides
- Leveraging R&D and formulation expertise



Progress:

- Ceramide sales +50%
- Growth in all regions
- Multiple new product launches

HERITAGE PHARMA – LACK OF FOCUS

Actions:

- Increasing resource in “heritage” Pharma:
 - Consumer health and vet applications
 - Key relevant countries (eg India)



Progress:

- Consumer health sales +10%
- 3rd consecutive quarter of sequential growth

MANUFACTURING FOOTPRINT – EXPANDING IN HIGH-GROWTH REGIONS

Actions:

- Ramped up sales & R&D in emerging markets
- New surfactants production in India in H2



Progress:

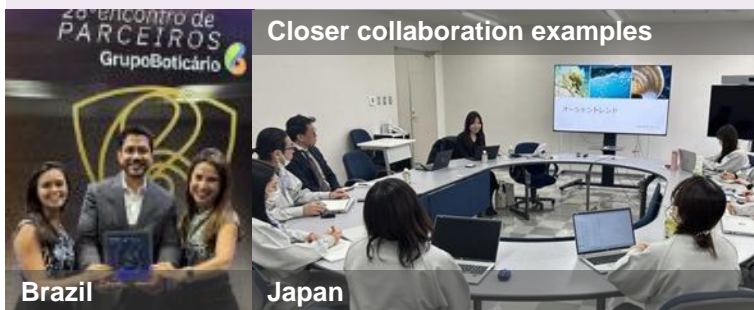
- Consumer Care sales +8% in Asia
- Consumer Care sales +30% in India
- New site on-time, on-budget, zero carbon

Leveraging proximity to L&R customers

WINNING WITH REGIONAL BEAUTY GIANTS

Actions:

- Local sales and R&D
- Regional production
- Claims data and formulation support

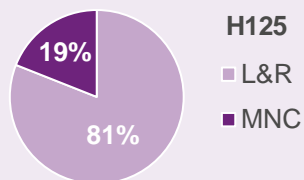


Closer collaboration examples

Brazil

Japan

Progress: L&R growing share of Consumer Care sales



H125

□ L&R

■ MNC

**L&Rs grew
+11%
in Consumer Care**

PHARMA GROWING IN CHINA

Actions:

- Registration with Chinese Pharmacopoeia
- Building relationships with regional Pharma companies – 30% drugs developed in China



Progress:

- Double-digit % CAGR sales growth in China since 2020, ex CV19

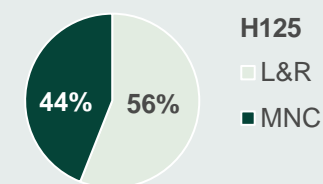
TIER 3 EXPANSION IN CROP

Actions:

- Building relationships with tiers 2 and 3
- Latam focus – new opportunities +50%,
- Asia focus – customer-driven innovation +30%



Progress: L&R growing share of Crop Protection sales



H125

□ L&R

■ MNC

**L&Rs grew
+11%
in Crop Protection**

Stepping up innovation

BEAUTY

Actions:

- Increasing customer-led projects
- Reinvigorating mature markets
- Internationalising R&D

Progress:

Closer customer collaboration

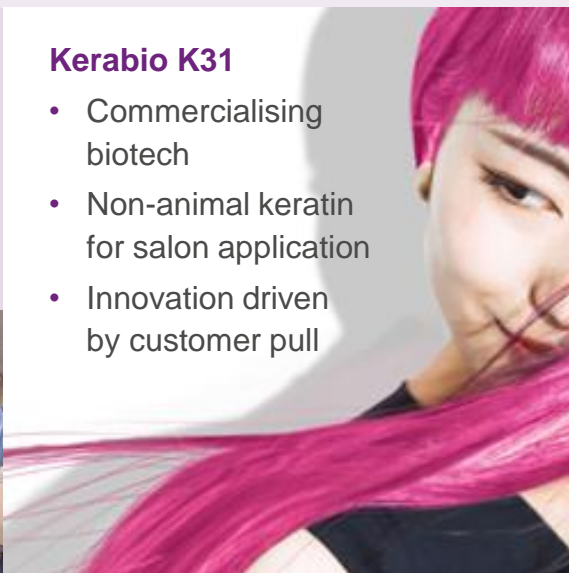
Sampling activity up (2-yr CAGR)

- +12% in Beauty Actives
- +8% in Beauty Care
- Doubled in Europe in H125



Kerabio K31

- Commercialising biotech
- Non-animal keratin for salon application
- Innovation driven by customer pull



PHARMA

Actions:

- More focus on core capabilities
- Broadening into other customer applications – eg generics
- Building claims data

Progress:

Leveraging Avanti Research

- ~130 new launches
- + Certest for ionisable lipids
- Double-digit % CAGR since 2020

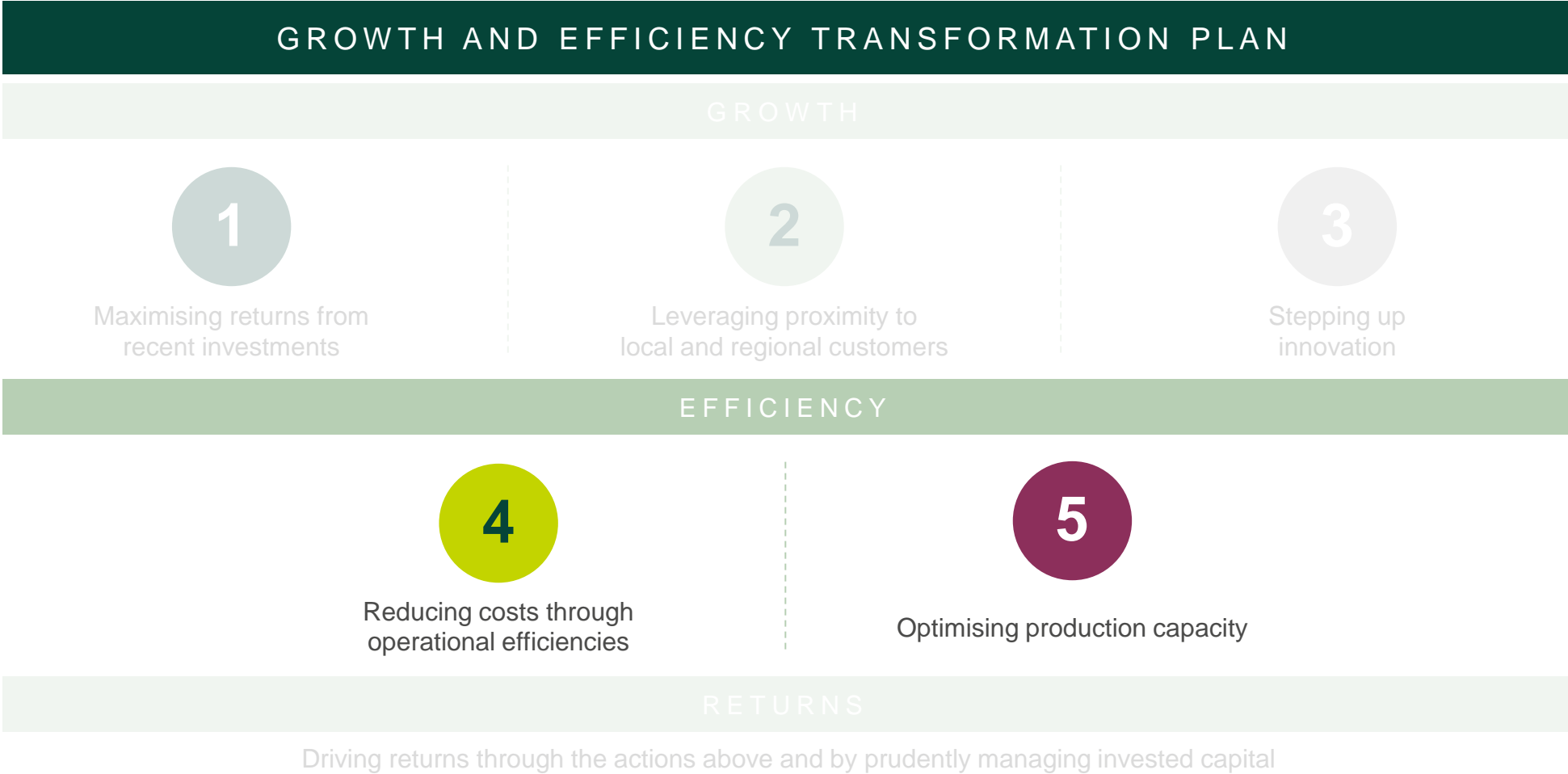


Strengthening speciality excipients

- New proprietary process
- 100+ samples for new aid to cell media



Delivering our 5-point plan to improve earnings and returns



Multi-year operational efficiency programme....



COMMERCIAL

- Product / customer tail
- Pricing
- Account management



OPERATIONS

- Lower fixed costs in:
- Manufacturing
 - Distribution



PROCUREMENT

- Direct
- Indirect



PEOPLE

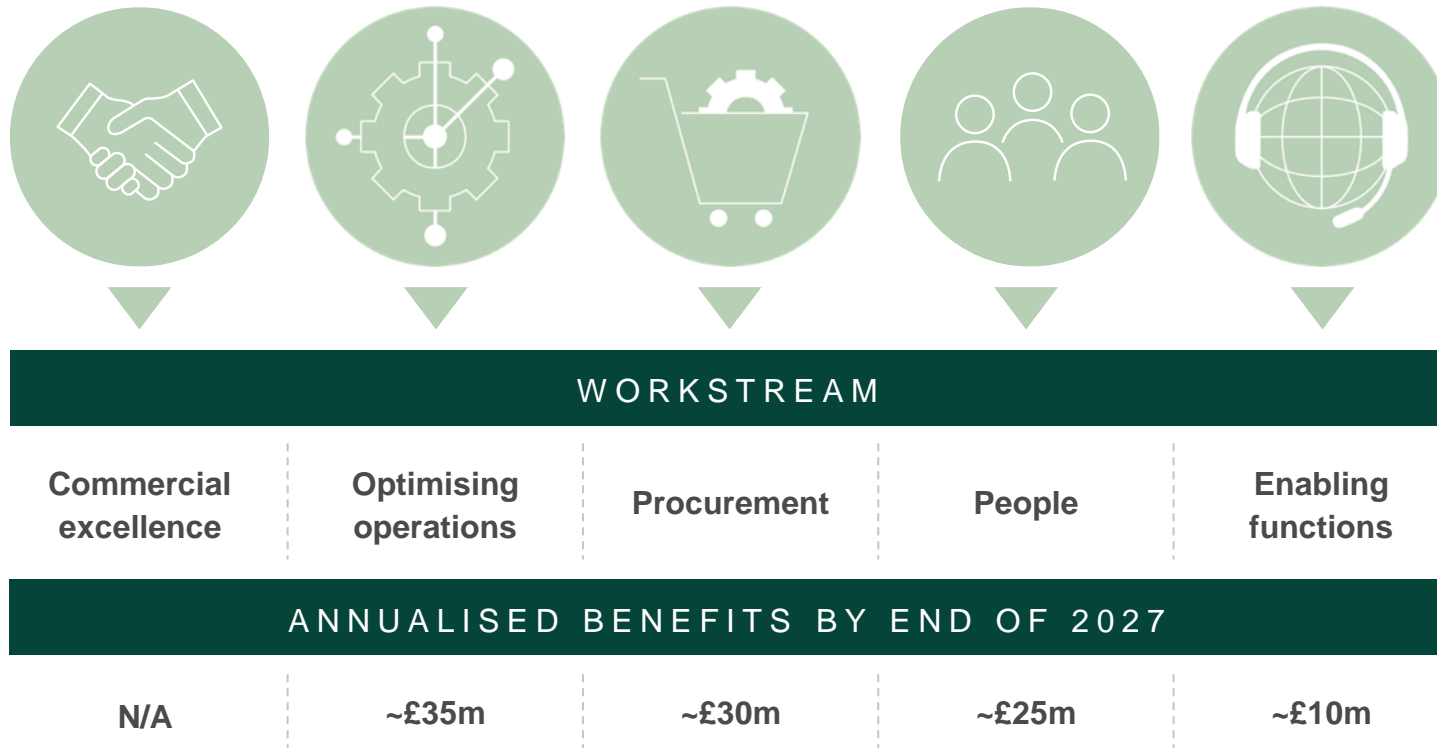
- Management layers
- Headcount



FUNCTIONS

- Enabling functions
- IT

...to drive increased efficiency and lower costs



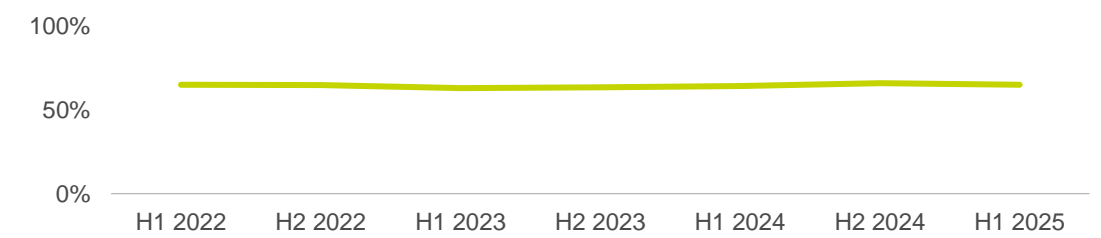
BENEFIT ¹	IN-PERIOD	TOTAL
2025	~£25m	~£25m
2026	~£35m	~£60m
2027	~£25m	~£85m
End 2027 run rate		~£100m³
2025	~£(15)m	~£(15)m
2026	~£(35)m	~£(50)m
2027	~£(30)m	~£(80)m
Total Cash cost²		~£(80)m

Optimising production capacity

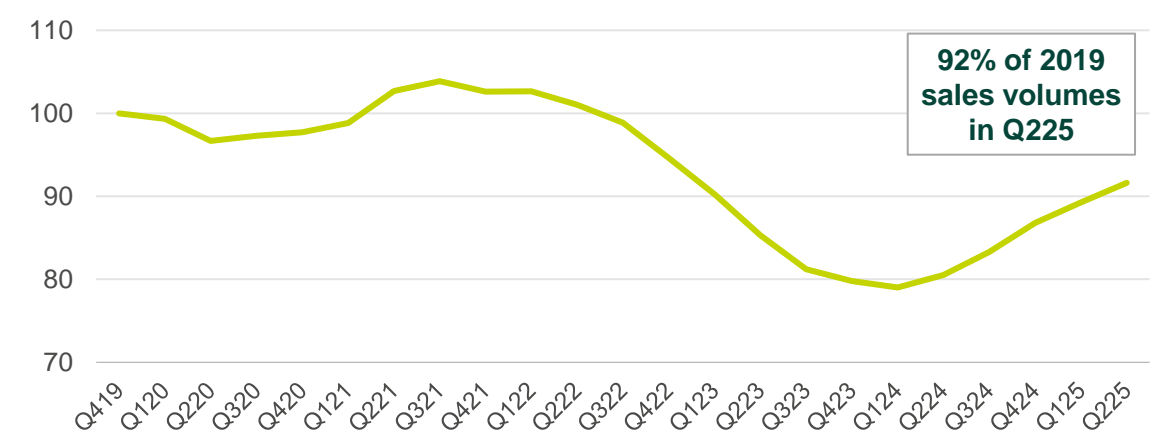
SALES VOLUME PERFORMANCE

Y-ON-Y VOLUME CHANGE	H125
Beauty Care	+8%
Crop Protection	+18%
Industrial Specialties	+10%

Gross margins remain stable*



SHARED SITE VOLUMES INDEXED TO 2019



PRODUCTION CAPACITY OPTIMISATION

Global view to drive:

- Site and process efficiencies
- Distribution efficiencies
- Reduced fixed costs of production

Improving S&OP processes:

- Integrated supply chain at 11 shared sites
- Driving efficiencies
- Improving working capital
- Enhancing customer service

Conclusion

GROWTH

- Portfolio strength
- L&R proximity
- Expanding innovation

EFFICIENCY

- Continue to simplify & modernise
- Increased efficiencies
- Optimising capacity

RETURNS

- Investment & capex moderating
- Taking action to improve working capital
- Greater discipline to enhance returns

GROWING EARNINGS AND IMPROVING RETURNS



QUESTION AND ANSWER



APPENDICES

Quarterly sales breakdown

QUARTERLY SALES £M	CONSUMER CARE	LIFE SCIENCES	INDUSTRIAL SPECIALTIES	GROUP	LIFE SCIENCES (EX-CV19)*	GROUP (EX-CV19)*
Q1 2023	236.8	170.8	69.1	476.7	170.8	476.7
Q2 2023	218.8	132.4	53.0	404.2	132.4	404.2
Q3 2023	218.2	125.0	43.7	386.9	125.0	386.9
Q4 2023	212.3	174.1	40.3	426.7	126.1	378.7
Q1 2024	236.8	121.8	49.9	408.5	121.8	408.5
Q2 2024	231.6	124.4	51.4	407.4	124.4	407.4
Q3 2024	228.1	128.8	49.7	406.6	128.8	406.6
Q4 2024	223.5	129.3	52.8	405.6	129.3	405.6
Q1 2025	255.1	134.5	52.7	442.3	134.5	442.3
Q2 2025	236.7	126.5	50.3	413.5	126.5	413.5

Currency exposure

The US Dollar and the Euro together represent approximately 65% of the Group's currency translation exposure.

H1 2025 average rates:

- US\$1.298 (H1 2024: US\$1.266)
- €1.187 (H1 2024: €1.170)

Average annual impact:

- £1m per \$cent pa
- £1m per €cent pa

Currency translation reduced sales by £20.1m, adjusted operating profit by £4.8m and adjusted profit before tax by £4.5m.

This was driven by both the strength of Sterling against the US Dollar and the Euro (which together represent approximately 65% of the Group's currency translation exposure) and by the impact of changes in exchange rates for other smaller currencies including the effect of the application of IAS 29 ('Financial Reporting in Hyperinflationary Economies') to reporting in Argentina and Turkey.

Additional transactional exposure: In addition, the Group is exposed to transactional currency exposures which we seek to mitigate through currency hedging, pricing and optimising our supply chains. With the strength of Sterling, H125 adjusted operating profit was adversely impacted by £6.7m (H124: £1.2m) from transactional exposures.

SMART SCIENCE



TO IMPROVE LIVES™