

Ad hoc announcement pursuant to Art. 53 LR

DKSH Reports Core EBIT Growth of 8.2% at CER for H1 – Reaffirming Consistent Track Record of Creating Value in Asia and Beyond

- **Continued value creation in H1 2024**
 - Core EBIT increased by 8.2% (at CER¹) to CHF 163.6 million
 - Core EBIT margin expanded by 10 basis points to 3.0%
 - Net sales grew by 3.3% (at CER) to CHF 5.4 billion
 - Consumer Goods Core EBIT margin reached mid-term target of 2.5%
 - Strong Free Cash Flow of CHF 160.8 million (cash conversion 136.0%)
- **Confirmed outlook for 2024**
- **Capital Markets Day on November 18 in London**

Key Figures Group (CHF million)	H1 2024	H1 2023	Δ in % CHF	Δ in % CER ¹
Net sales	5,441.1	5,623.8	(3.2)	3.3
Core operating profit (Core EBIT)	163.6	162.6	0.6	8.2
Core EBIT margin	3.0%	2.9%	-	-
Operating profit (EBIT)	160.6	158.5	1.3	9.1
Core profit after tax	118.2	106.4	11.1	16.7
Profit after tax	114.8	107.1	7.2	13.2
Free Cash Flow	160.8	179.0	(10.2)	-

Zurich, Switzerland, July 16, 2024 – DKSH's first-half 2024 results reaffirm our consistent track record of delivering value for our clients, customers, employees, and shareholders through growth, margin expansion, and effective cash generation. Net sales reached CHF 5.4 billion (3.3% at CER¹) and Core EBIT was CHF 163.6 million (8.2% at CER) with a 10 basis points higher Core EBIT margin. Free Cash Flow remained strong at CHF 160.8 million and Core profit after tax increased by 16.7% (at CER).

DKSH CEO, Stefan P. Butz, said: "I am delighted to report that in a continuously uncertain environment, DKSH delivered growth and further margin expansion in the first half of 2024. Capitalizing on diligent strategy execution and our resilient business model, our valued employees across all Business Units and enabling Functions contributed to the result. We remained the trusted partner for our clients and customers and continued to fulfill our purpose of enriching people's lives. Based on our good first-half results, we confirm our outlook for 2024. I would also like to welcome Medipharm and Elite Organic who joined the DKSH family in the first half of the year."

DKSH Group

DKSH Group net sales increased by 3.3% (at CER) to CHF 5.4 billion in the first half of 2024. Organic growth contributed the most with 2.3%, acquisitions added 1.0%, and exchange rates -6.5% as the Swiss franc remained stronger than most currencies in which we operate compared to the base period in 2023. The Group Core EBIT reached CHF 163.6 million, 8.2% higher than in H1 2023 (at CER). Core EBIT margin increased from 2.9% to 3.0%. Core profit after tax was CHF 118.2 million, up 16.7% (at CER) vs. last year. Free Cash Flow remained strong reaching CHF 160.8 million with a cash conversion of 136.0%.

¹ Constant exchange rates (CER): 2024 figures converted at 2023 exchange rates.

* For the definition of Alternative Performance Measures (APM), see [Half-Year Report 2024](#).

Business Unit Healthcare

Backed by attractive market fundamentals, Business Unit Healthcare continued its path of profitable growth. With an above-GDP net sales growth of 5.8% (CER) including market share gains in key markets as well as a Core EBIT growth of over 13% (at CER), the Business Unit improved the Core EBIT margin to 3.0% (+20 basis points). One major factor for these strong results was the expansion with new and existing clients in key markets such as Thailand, Malaysia, and Taiwan. Business Unit Healthcare further focused on its higher margin businesses, such as Full Agency Services and Own Brands. The Business Unit will continue expanding its position and driving into higher-value segments and services.

Healthcare (in CHF million)	H1 2024	H1 2023	Δ in % CHF	Δ in % CER ¹
Net sales	2,776.6	2,809.8	(1.2)	5.8
Core EBIT	84.1	78.6	7.0	13.9
EBIT	83.9	78.6	6.7	13.6

Business Unit Consumer Goods

Business Unit Consumer Goods achieved a Core EBIT increase of 17.0% (at CER) and drove a net sales growth of 2.0% (at CER) to CHF 1.7 billion, aided by a combination of increased focus on sales effectiveness for outlets and portfolio prioritization, as well as business development for new client acquisition. The focus has also been on strengthening KPI-based performance management, as well as cost efficiencies. DKSH achieved its mid-term Core EBIT target of 2.5% in H1 2024. The successful transformation of the Unit positions the business for further profitable growth.

Consumer Goods (in CHF million)	H1 2024	H1 2023	Δ in % CHF	Δ in % CER ¹
Net sales	1,703.2	1,788.0	(4.7)	2.0
Core EBIT	42.1	38.8	8.5	17.0
EBIT	40.5	38.8	4.4	12.9

Business Unit Performance Materials

Business Unit Performance Materials' net sales decline of 2.6% (at CER) was in line with expectations. All regions performed better in the first half of 2024 than in the second half of 2023 with a sequential improvement quarter over quarter. Core EBIT was CHF 58.6 million, driven by gross margin expansion, disciplined pricing, and inventory management as well as an optimized cost structure. DKSH achieved a Core EBIT margin increase of around 15 basis points to 8.3% (Core EBITA margin increase of around 15 basis points to 8.9%) and remains cautiously optimistic of a gradual rise in demand.

Performance Materials (in CHF million)	H1 2024	H1 2023	Δ in % CHF	Δ in % CER ¹
Net sales	708.4	767.0	(7.6)	(2.6)
Core EBIT	58.6	62.3	(5.9)	(0.2)
EBIT	58.6	62.3	(5.9)	(0.2)

Business Unit Technology

Business Unit Technology achieved a net sales growth of 3.3% (at CER), supported by the recent acquisition of Bio-Strategy. The Core EBIT of CHF 8.6 million compares to an exceptionally strong first half of 2023. With some project phasing into the second half of 2024, further market consolidation potential, and a continued focus on scientific solutions, precision machinery, and equipment for the semiconductor and electronics industry, Business Unit Technology is expected to achieve a stronger second half of 2024.

Technology (in CHF million)	H1 2024	H1 2023	Δ in % CHF	Δ in % CER¹
Net sales	252.9	259.0	(2.4)	3.3
Core EBIT	8.6	12.1	(28.9)	(27.3)
EBIT	8.6	12.1	(28.9)	(27.3)

Outlook Confirmed

DKSH is committed to deliver GDP+² sales growth (at CER) and expects Core EBIT (at CER) in 2024 to be higher than in 2023 based on its resilient business model, successful strategy execution, and strong balance sheet. This outlook assumes economic growth in Asia Pacific, and barring any unforeseen events. The Group remains confident about Asia's long-term potential and is well-positioned to benefit from favorable market, industry, and M&A consolidation trends.

Capital Markets Day 2024

DKSH is pleased to announce that its Capital Markets Day 2024 will take place in London on November 18, 2024. The Capital Markets Day is followed by an analysts' and investors' dinner in the evening. The invitation to the event including further details will be sent out in the coming weeks.

Further Information

The conference and webcast for media and investors will take place today at 10:00 a.m. CEST. The [Half-Year Report 2024](#) and recording of the webcast will be available on the DKSH website.

Appendix:

Net Sales Growth Components

(in CHF million)	H1 2024	H1 2023	% CHF	% Organic	% M&A	% FX
Healthcare	2,776.6	2,809.8	(1.2)	5.1	0.7	(7.0)
Consumer Goods	1,703.2	1,788.0	(4.7)	1.1	0.9	(6.7)
Performance Materials	708.4	767.0	(7.6)	(2.7)	0.1	(5.0)
Technology	252.9	259.0	(2.4)	(4.8)	8.1	(5.7)
DKSH Group	5,441.1	5,623.8	(3.2)	2.3	1.0	(6.5)

² Weighted GDP calculation based on DKSH 2023 Net sales market split.

About DKSH

DKSH's purpose is to enrich people's lives. For almost 160 years, DKSH has been delivering growth for companies in Asia and beyond across its Business Units Healthcare, Consumer Goods, Performance Materials, and Technology. As a leading Market Expansion Services provider, DKSH offers sourcing, market insights, marketing and sales, eCommerce, distribution and logistics as well as after-sales services. DKSH is a participant of the United Nations Global Compact and adheres to its principles-based approach to responsible business. Listed on the SIX Swiss Exchange, DKSH operates in 36 markets with 29,040 specialists, generating net sales of CHF 11.1 billion in 2023. www.dksh.com

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