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### **Very strong business performance in first half of 2024 / Henkel raises its FY earnings outlook**

Düsseldorf – Based on preliminary figures, Henkel achieved a very strong business performance in the first half of the year, exceeding market expectations, particularly with regard to the adjusted return on sales and adjusted earnings per share.

Due to the very strong development so far and factoring in the expected business development in the remainder of the year Henkel has raised its outlook for the earnings development in 2024 again. This is mainly due to higher profit expectations in the Consumer Brands business unit, while at the same time increasing investments in marketing to support innovations. The outlook still considers the expectation of higher prices for direct materials in the second half of the year.

#### **Preliminary business results for the first half of 2024**

According to preliminary figures, Henkel generated **sales** of 10,813 million euros in the first half of 2024. This corresponds to good **organic sales growth** of 2.9 percent. Growth in both business units was driven by a positive price development (+2.5 percent). At Group level, volume development, which continues to be influenced by the portfolio measures in the Consumer Brands unit, was slightly positive (+0.4 percent) and also showed a sequential improvement compared to the first quarter of 2024. In nominal terms, sales were down by -1.0 percent compared to the same period of the previous year, in particular due to the sale of business activities in Russia and to negative foreign exchange effects while the recently closed acquisitions of Seal for Life and Vidal Sassoon contributed positively.

**Adjusted operating profit** (adjusted EBIT) rose by 28.4 percent to 1,610 million euros in the first half of the year, compared to 1,254 million euros in the same period of the previous year. The **adjusted return on sales** (adjusted EBIT margin) also increased significantly by 340 basis points to 14.9 percent. **Adjusted earnings per preferred share** rose to 2.78 euros in the first half of 2024. At constant exchange rates, this corresponds to an increase of 32.9 percent compared to the first half of 2023.

**Sales** in the **Adhesive Technologies** business unit amounted to 5,475 million euros in the first half of 2024. **Organic sales growth** was at 2.0 percent. This development was driven by a price component of +0.2 percent and volume growth of 1.8 percent. Thus, the business unit showed a sequential improvement in volume development compared to the first quarter of 2024. **Adjusted operating profit** rose by 21.8 percent to 933 million euros in the first half of 2024, compared to 766

million euros in the same period of the previous year. The **adjusted return on sales** increased significantly by 300 basis points to 17.0 percent.

The **Consumer Brands** business unit generated **sales** of 5,266 million euros in the first six months of 2024. **Organic sales growth** amounted to 4.3 percent. This development was driven by a price component of +5.1 percent. Primarily due to continued portfolio optimization measures, volume development was negative at -0.9%. However, it showed a sequential improvement compared to the first quarter of 2024. The **adjusted operating profit** amounted to 753 million euros and was therefore 34.7 percent higher than in the same period of the previous year. The **adjusted return on sales** increased significantly by 390 basis points to 14.3 percent.

## Outlook for 2024

Henkel now expects the following sales and earnings development for **fiscal 2024**:

- **Organic sales growth:** 2.5 to 4.5 percent (unchanged)
  - Adhesive Technologies: 2.0 to 4.0 percent (unchanged)
  - Consumer Brands: 3.0 to 5.0 percent (unchanged)
- **Adjusted return on sales:** 13.5 to 14.5 percent (previously: 13.0 to 14.0 percent)
  - Adhesive Technologies: 16.0 to 17.0 percent (unchanged)
  - Consumer Brands: 13.0 to 14.0 percent (previously: 12.0 to 13.0 percent)
- **Adjusted earnings per preferred share (EPS):** Increase in the range of +20.0 to +30.0 percent at constant exchange rates (previously: +15.0 to +25.0 percent)

## Further expectations for 2024

The following expectations for 2024 remain unchanged compared to the updated outlook from the beginning of May 2024:

- Acquisitions/Divestments: neutral impact on nominal sales growth
- Translation of sales in foreign currencies: negative impact in the low to mid-single-digit percentage range
- Prices for direct materials: flat development<sup>1</sup>
- Restructuring expenses of 250 to 300 million euros
- Cash outflows from investments in property, plant and equipment and intangible assets of between 650 and 750 million euros

<sup>1</sup> Compared to the previous year's average

Henkel will report on further details of the business development in the second quarter and the first half of the year on August 13, 2024, as planned.

### Further information regarding financial instruments issued by Henkel

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 Address: 40191 Düsseldorf, Deutschland  
 Henkel Preferred Share: ISIN DE0006048432 // WKN 604843  
 Henkel Ordinary Share: ISIN DE0006048408 // WKN 604840  
 Listing: Regulated market (Prime Standard), all eight German Stock Exchanges

For further financial instruments see [www.henkel.com/ir](http://www.henkel.com/ir)

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