

# Q3 2024 sales update

**Géraldine Picaud**  
CEO

**Marta Vlatchkova**  
CFO

25 October 2024

When you need  
**to be sure**

Chemistry Pesticide Detection Laboratory, Portugal

**SGS**

# Q3 2024 highlights

**Géraldine Picaud**  
CEO

Health and Sciences Laboratory, USA



## Q3 2024 highlights

# Continued strong sales performance in Q3

### Recent major developments

- › Strong **sales growth**:
  - › Organic sales growth at 7.3%
  - › Reported sales growth at 3.8%
- › New sustainability offering, **IMPACT NOW**
- › Global **PFAS**<sup>1</sup> campaign launched
- › **4 new bolt-on acquisitions** signed

### Outlook

- › Outlook 2024 confirmed

### Capital Markets Event

- › 19 – 20 November
- › Rotterdam and Antwerp

<sup>1</sup> PFAS: per- and polyfluoroalkyl substances

## Global roll-out of IMPACT NOW

# New sustainability offering to support our clients' ambitions

### Climate

**IMPACT  
NOW**  
ON CLIMATE



**Fight climate change  
Drive net-zero ambitions**

- › Reducing GHG emissions
- › Driving the energy transition

### Nature

**IMPACT  
NOW**  
ON NATURE



**Protect biodiversity  
Improve human health**

- › Managing environmental risk
- › Targeting forever chemicals

### Circularity

**IMPACT  
NOW**  
ON  
CIRCULARITY



**Transition to the circular  
economy; Reduce waste**

- › Enabling circularity
- › Reducing plastic pollution

### ESG Assurance

**IMPACT  
NOW**  
ON ESG  
ASSURANCE



**Improve ESG strategy  
Mitigate risks**

- › Complying with regulations
- › Improving ESG disclosures

## Global PFAS campaign launched

# Broadest scope of PFAS testing and accreditations

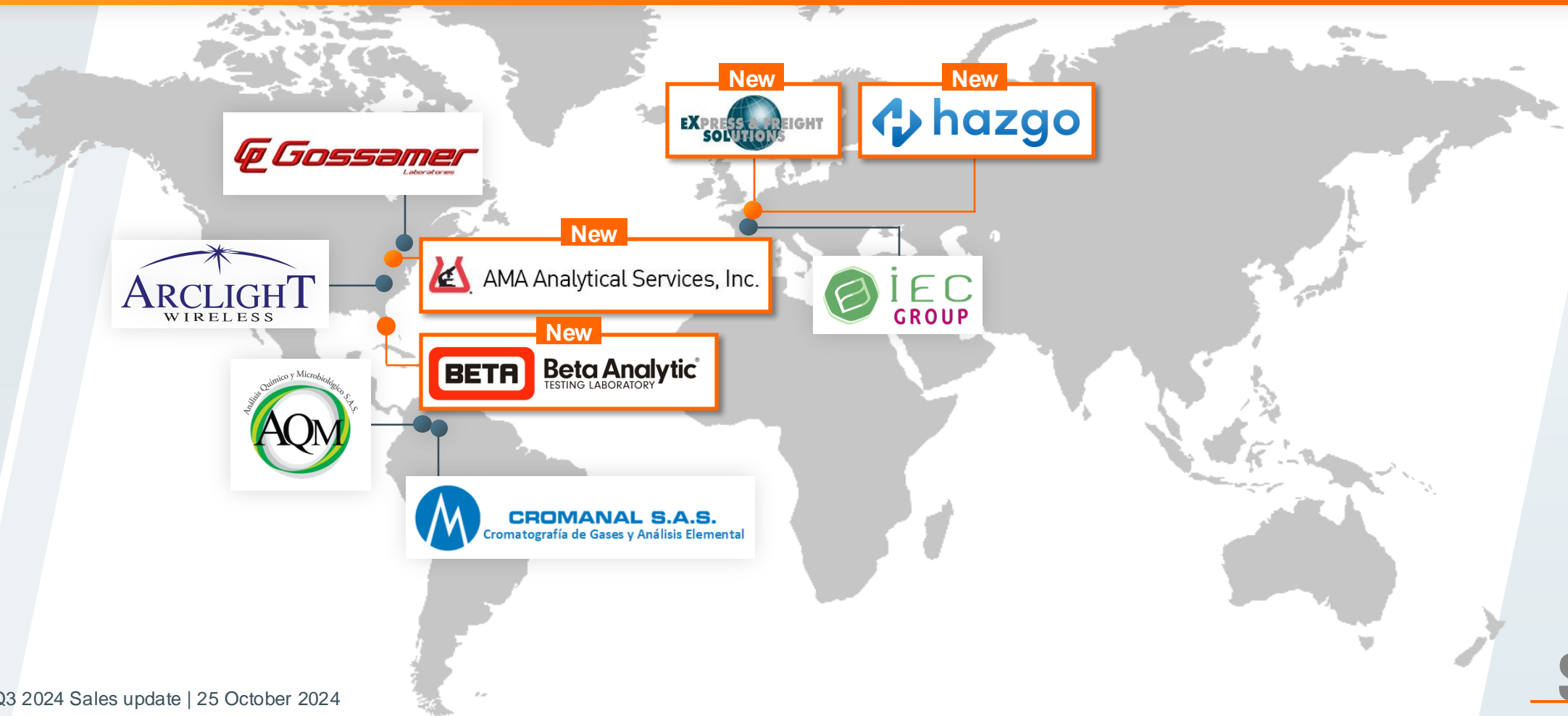


- › Most extensive suite of PFAS testing services
- › Multi-industry coverage: from consumer products and electronics to food and the environment
- › Pioneer of PFAS detection since the early 2000s
- › Global expertise, state-of-the-art laboratories and deep environmental and product analysis knowledge
- › Supported by PFAS testing expansion, including quadrupling capacity in North America

# M&A relaunched

## Nine acquisitions to date and more in the pipeline

Representing total annual sales of ~ CHF 70 million





## M&A relaunched

# Four new acquisitions signed in key sectors

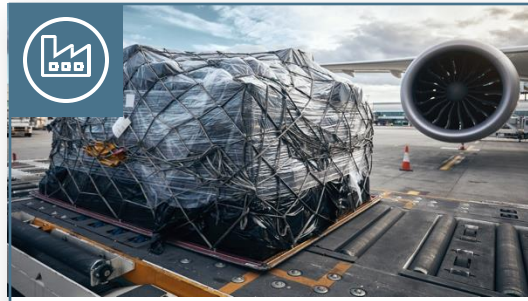


### Beta Analytic

Business line:  
**Industries & Environment**  
Location:  
**North America**



Expected closing: 31 October 2024  
FTEs: 100



### Hazgo

Business line:  
**Industries & Environment**  
Location:  
**Europe**



Closed: 30 September 2024  
FTEs: 32

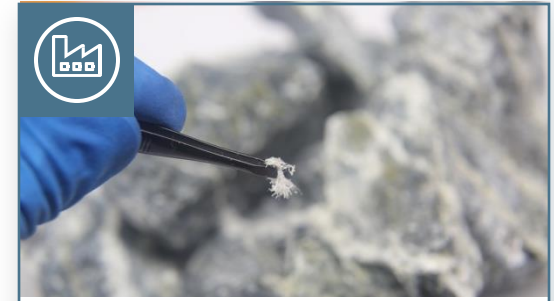


### Express Solutions

Business line:  
**Industries & Environment**  
Location:  
**Europe**



Closed: 30 September 2024  
FTEs: 4



### AMA Analytical

Business line:  
**Industries & Environment**  
Location:  
**North America**



Expected closing: 31 October 2024  
FTEs: 21

## Testing & Inspection: Industries & Environment

# Organic growth led by Environment

### Industries & Environment

- › Double-digit growth in Environment, fueled by increased capacity in PFAS testing
- › Strong demand in safety-related services in Asia Pacific and Latin America
- › High single-digit growth in technical Supervision & Advisory led by Latin America
- › Growth partly offset by completion of low-margin contracts in non-destructive testing

Q3 2024

9M 2024

(CHF million)

<b>Sales</b>	<b>557</b>	<b>1 681</b>
Total change	3.0%	4.0%
<i>of which organic</i>	<b>7.0%</b>	<b>9.6%</b>
<i>of which scope</i>	0.0%	-0.8%
<i>of which FX</i>	-4.0%	-4.8%



Environment, Health and Safety Laboratory, Peru



## Testing & Inspection: Natural Resources

# Solid performance

### Natural Resources

- › Double-digit growth in Laboratory Testing, led by increased activity in energy, chemicals and on-site projects
- › Double-digit growth in Metallurgical Testing, driven by Latin America and North America
- › Solid growth in Trade & Inspection, despite a soft start of the new crop season
- › Exit from low-margin minerals contracts in Latin America

	Q3 2024	9M 2024
<b>(CHF million)</b>		
<b>Sales</b>	<b>403</b>	<b>1 202</b>
Total change	2.8%	1.8%
<i>of which organic</i>	<b>6.9%</b>	<b>8.0%</b>
<i>of which scope</i>	0.0%	0.0%
<i>of which FX</i>	-4.1%	-6.2%



Mineral Services Laboratory, Canada

## Testing & Inspection: Connectivity & Products

# Continued acceleration driven by Softlines and Connectivity

### Connectivity & Products

- › Double-digit growth in Softlines, driven by sustainability and lower inventory levels
- › High single-digit growth in Connectivity, supported by increasing demand in wireless and automotive
- › High single-digit growth in Hardlines, with new regulations in food contact materials
- › Trade Facilitation Services broadly stable

	Q3 2024	9M 2024
<b>(CHF million)</b>		
<b>Sales</b>	<b>327</b>	<b>950</b>
Total change	5.1%	0.8%
<i>of which organic</i>	<b>8.4%</b>	<b>7.5%</b>
<i>of which scope</i>	-0.4%	-1.3%
<i>of which FX</i>	-2.9%	-5.4%



Automotive Parts Laboratory, China

## Testing & Inspection: Health & Nutrition

# Strong growth in Food; early signs of recovery in Health Science

### Health & Nutrition

- › Double-digit growth in Food supported by regulation and food safety
- › High single-digit growth in Cosmetics, led by increased clinical testing in North America
- › Mid single-digit growth in Health Science, driven by strong performance in drug development in Europe

	Q3 2024	9M 2024
<b>(CHF million)</b>		
<b>Sales</b>	<b>221</b>	<b>644</b>
Total change	6.3%	0.8%
<i>of which organic</i>	<b>8.2%</b>	<b>3.8%</b>
<i>of which scope</i>	0.0%	0.6%
<i>of which FX</i>	-1.9%	-3.6%



Microbiology Laboratory, Portugal



## Certification: Business Assurance

# High growth in Certification and Sustainability

### Business Assurance

- › Double-digit growth in Certification, supported by medical devices and digital trust
- › High single-digit growth in Sustainability, led by ESG assurance, social audits and energy certification
- › Slowdown in Training materialized during the quarter
- › High basis of comparison in Consulting to continue to impact the rest of the year

Q3 2024

9M 2024

(CHF million)

<b>Sales</b>	<b>191</b>	<b>557</b>
Total change	3.2%	2.8%
<i>of which organic</i>	<b>5.9%</b>	<b>7.2%</b>
<i>of which scope</i>	0.0%	0.0%
<i>of which FX</i>	-2.7%	-4.4%



ESG assurance, Türkiye

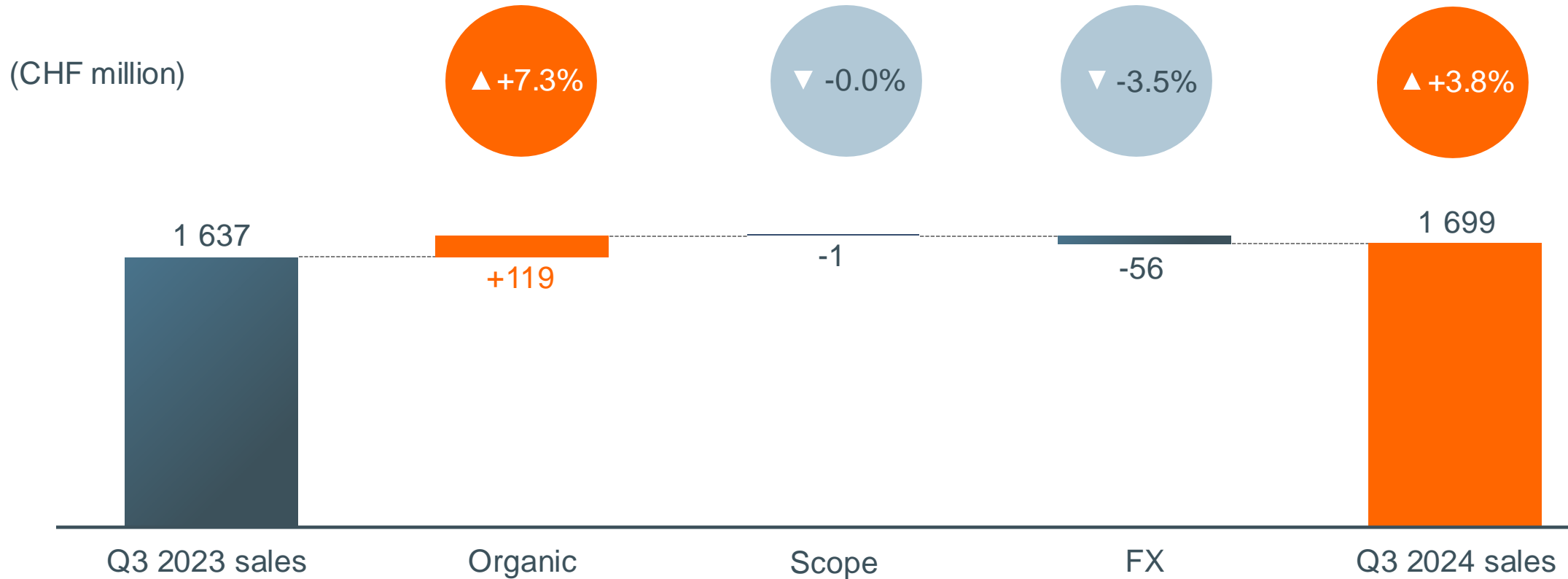
# Q3 2024 sales review

**Marta Vlatchkova**  
CFO

Central Chemical Laboratory, China

## Q3 2024 sales bridge

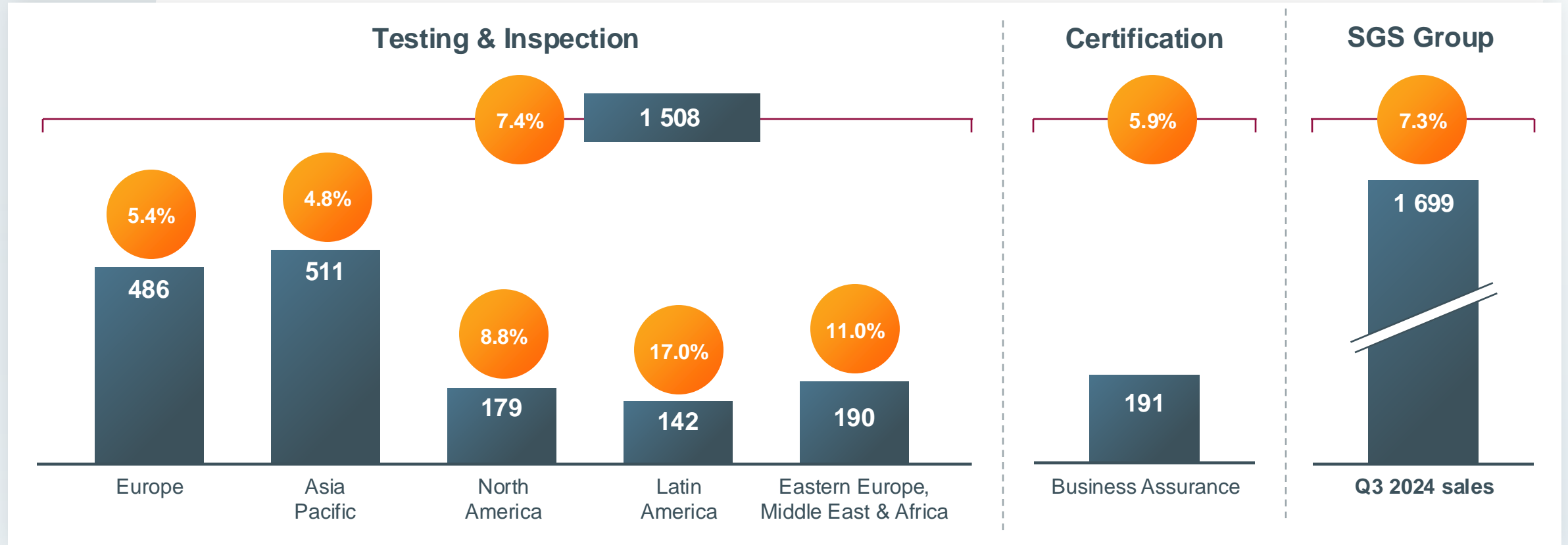
# Strong growth in both organic and reported terms





## Q3 2024 sales by division

# Organic growth led by Testing and Inspection



Sales, CHF million
  Organic growth

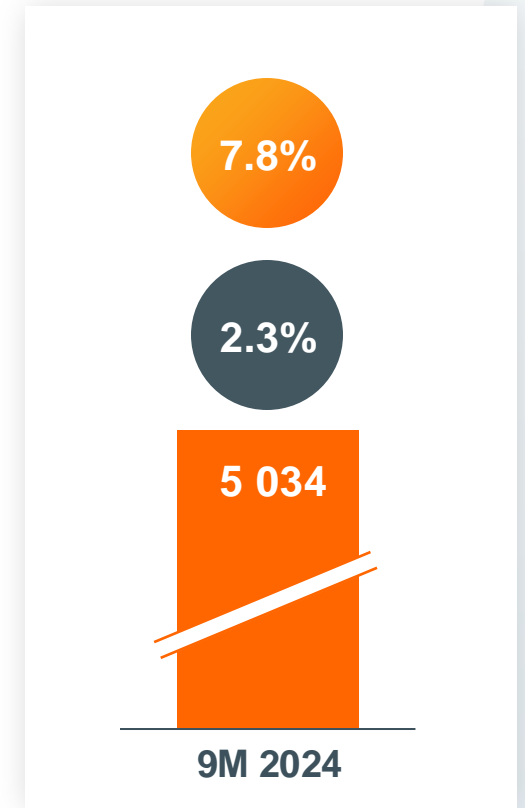
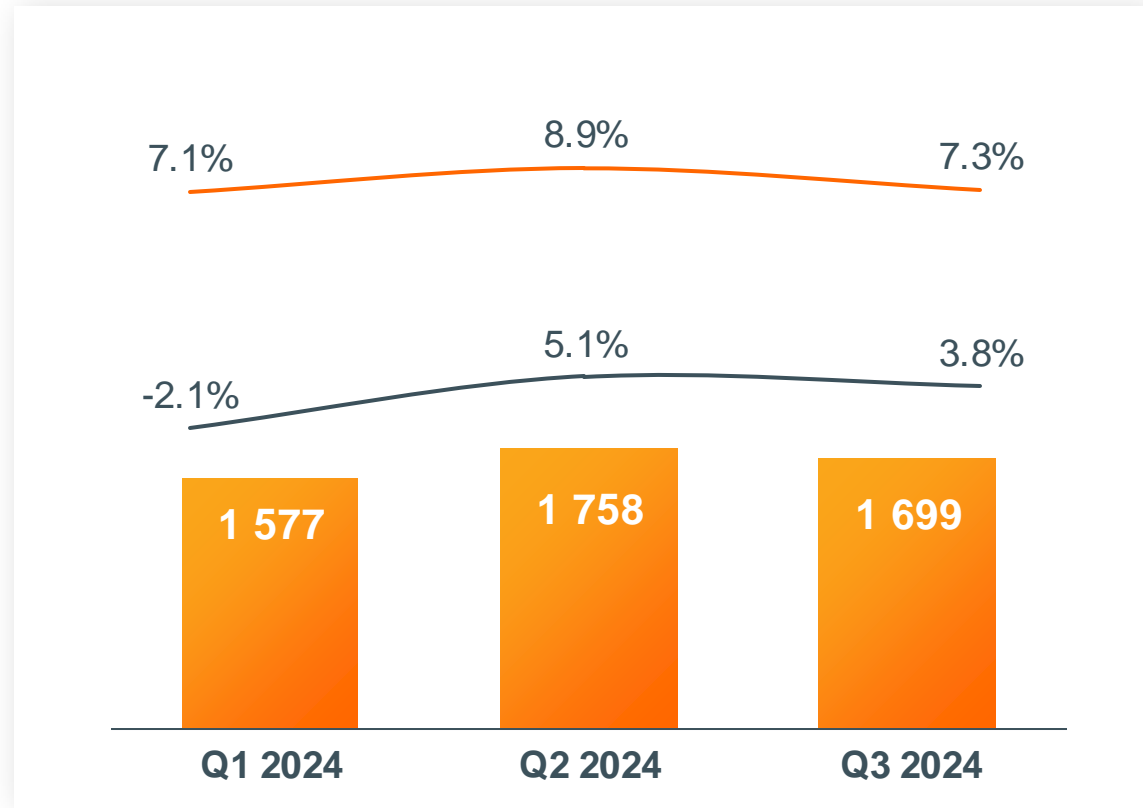
## 9M sales by quarter

# Continued strong performance in Q3

Organic growth

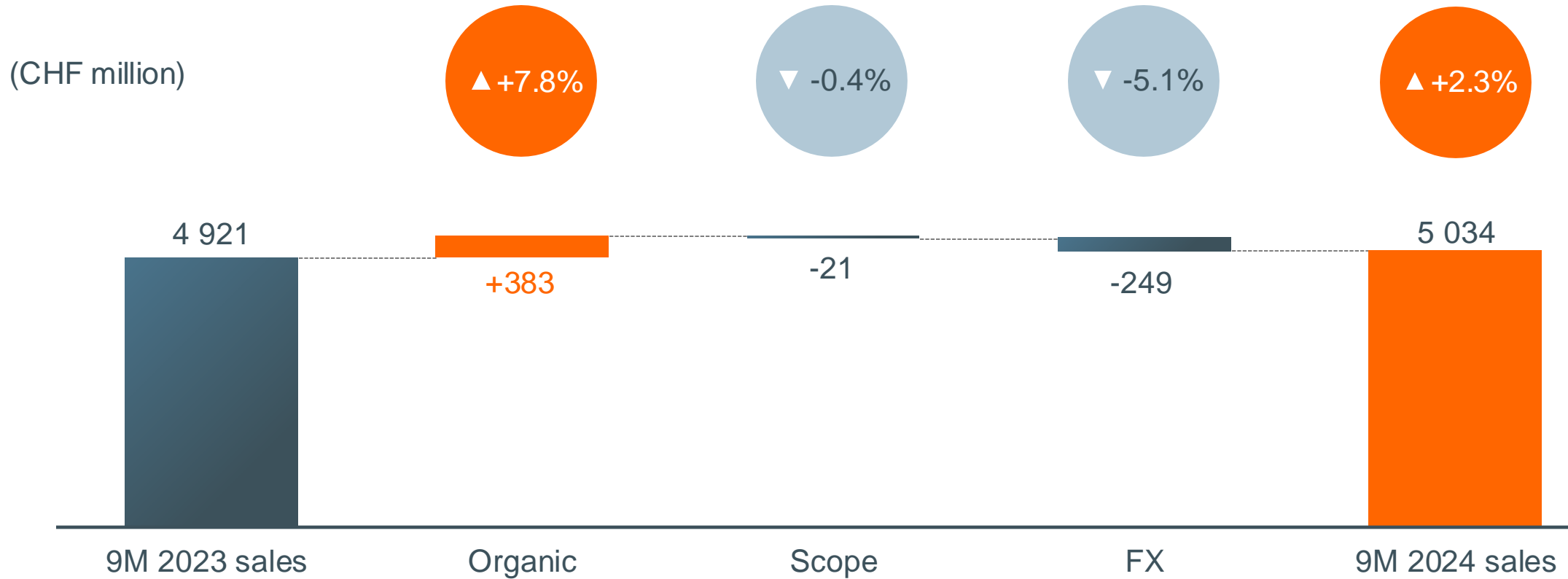
Reported growth

Sales, CHF million



## 9M 2024 sales bridge

# Strong organic sales growth of 7.8%





# Outlook 2024

**Géraldine Picaud**  
CEO



Soil Sampling, Germany

# Outlook confirmed



Biosafety Testing Laboratory, UK

- › Mid to high single-digit organic growth
- › M&A relaunched
- › Improvement in adjusted operating income margin on sales
- › Strong free cash flow generation

# Appendix

## Appendix

# 2023 sales by quarter

(CHF million)	Q1	Q2	Q3	Q4	2023
Industries & Environment	527	549	541	573	2 190
Natural Resources	394	395	391	403	1 583
Connectivity & Products	308	323	311	304	1 246
Health & Nutrition	212	219	208	218	857
Business Assurance	170	187	186	203	746
<b>Total</b>	<b>1 611</b>	<b>1 673</b>	<b>1 637</b>	<b>1 701</b>	<b>6 622</b>



# Financial calendar

**Capital Markets Event**  
Rotterdam & Antwerp

**19 - 20 November 2024**

**FY 2024 results**  
Geneva

**11 February 2025**

**Annual General Meeting**  
Geneva

**26 March 2025**

**Q1 2025 sales update**  
Virtual

**24 April 2025**

**H1 2025 results**  
Virtual

**25 July 2025**

**Q3 2025 sales update**  
Virtual

**23 October 2025**

# Disclaimer

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