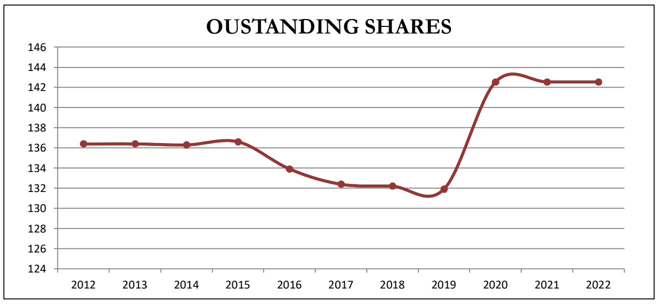
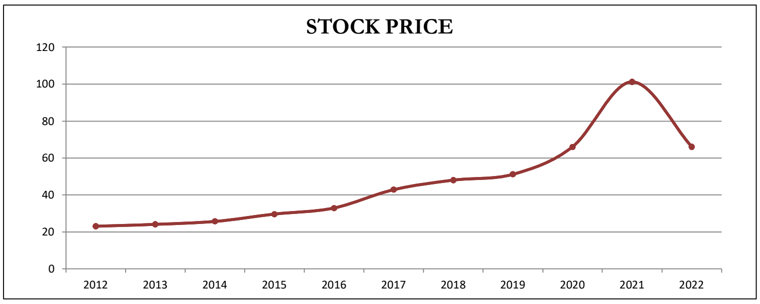
CRODA INTERNATIONAL

Report Date: 13/06/2023
Fical Year End Date: 31 December

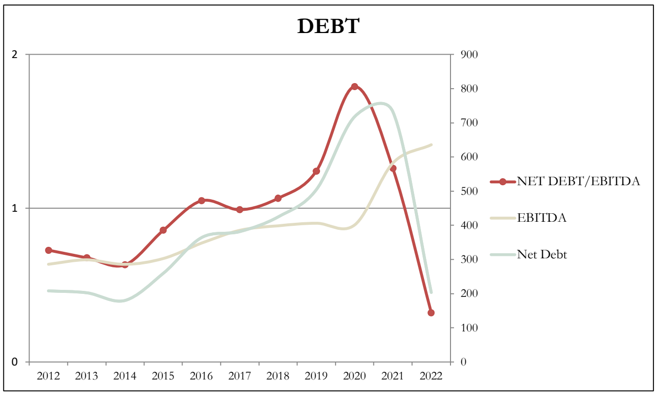


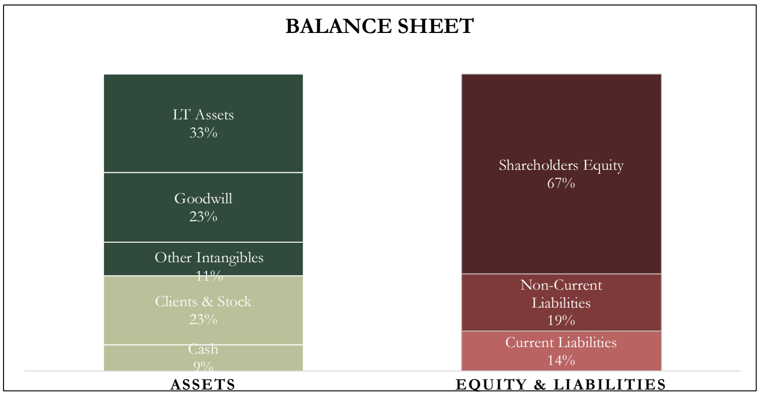


2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(Fiscal Year End date)
136	136	136	137	134	132	132	132	143	143	143	*143*	Oustanding Shares (Millons)
	0,00%	-0,07%	0,22%	-1,98%	-1,12%	-0,15%	-0,22%	8,06%	0,00%	0,00%		∆ Oustanding Shares vs Last Year
											0,44%	CAGR
23,10	24,10	25,70	29,60	32,90	42,90	47,99	51,20	65,96	101,20	66,04	*55,00*	Share Price (£)
3.151	3.287	3.503	4.043	4.405	5.680	6.344	6.754	9.402	14.425	9.413	*7.840*	Market Cap. (£ Millions)

SHARE REPURCHASE - SCORE

Share Repurchase 2





2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(£ Millions)
387	**367**	**394**	**436**	**489**	**524**	**592**	**568**	**699**	**894**	**1.160**		**SHORT TERM ASSETS**
54	38	48	58	61	63	71	82	107	113	321		Cash
171	193	201	222	236	259	287	269	303	443	464		Stock & Clients
163	137	145	156	192	202	234	217	290	338	376		Other Short Term Assets
616	**650**	**678**	**838**	**1.011**	**1.125**	**1.321**	**1.323**	**2.330**	**2.400**	**2.452**		**LONG TERM ASSETS**
	229	234	293	307	320	354	349	867	852	845		Goodwill
	10	11	45	48	66	101	97	445	420	409		Other Intangibles
0%	24%	23%	27%	24%	23%	24%	24%	43%	39%	35%		% INTANGIBLES / TOTAL ASSETS
1.004	**1.017**	**1.072**	**1.274**	**1.500**	**1.649**	**1.913**	**1.891**	**3.029**	**3.293**	**3.612**		**TOTAL ASSETS**
174	**192**	**199**	**213**	**252**	**271**	**292**	**336**	**345**	**460**	**488**		**CURRENT LIABILITIES**
5	27	26	10	10	18	49	110	49	51	122		Short Term Debt
169	165	173	204	241	253	243	227	296	409	366		Other Current Liabilities
485	**406**	**384**	**453**	**639**	**548**	**623**	**686**	**1.088**	**1.068**	**693**		**NON-CURRENT LIABILITIES**
256	213	202	308	415	426	447	477	776	795	402		Long Term Debt
659	**598**	**583**	**667**	**891**	**819**	**915**	**1.022**	**1.434**	**1.528**	**1.181**		**TOTAL LIABILITIES**
344	**419**	**489**	**607**	**609**	**830**	**998**	**869**	**1.595**	**1.766**	**2.431**		**TOTAL EQUITY**
236	304	375	492	492	714	882	753	862	1.029	1.693		Retained Earnings
0	6	6	7	8	8	8	7	9	13	16		Minority Interests
34%	**41%**	**46%**	**48%**	**41%**	**50%**	**52%**	**46%**	**53%**	**54%**	**67%**		**FINANCIAL AUTONOMY**
2,22	**1,91**	**1,98**	**2,04**	**1,94**	**1,93**	**2,03**	**1,69**	**2,02**	**1,94**	**2,38**		**LIQUIDITY RATIO**
0,31	**0,20**	**0,24**	**0,27**	**0,24**	**0,23**	**0,24**	**0,24**	**0,31**	**0,25**	**0,66**		**CASH RATIO**
208	202	180	259	364	382	425	504	719	733	203		Net Debt
66%	59%	54%	52%	59%	50%	48%	54%	47%	46%	33%		Debt Ratio
26%	32%	34%	32%	28%	33%	32%	33%	24%	30%	41%		Debt Quality
0,73	**0,68**	**0,63**	**0,86**	**1,05**	**0,99**	**1,06**	**1,24**	**1,79**	**1,26**	**0,32**		**NET DEBT/EBITDA**

BALANCE SHEET - SCORE

Intangibles 4

Debt 4

Liquidity 5

Retained Earnings 4

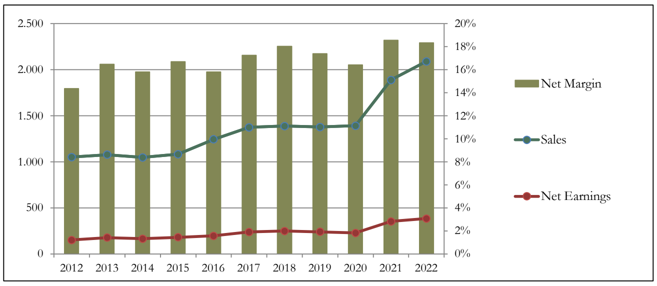
Financial Autonomy 5

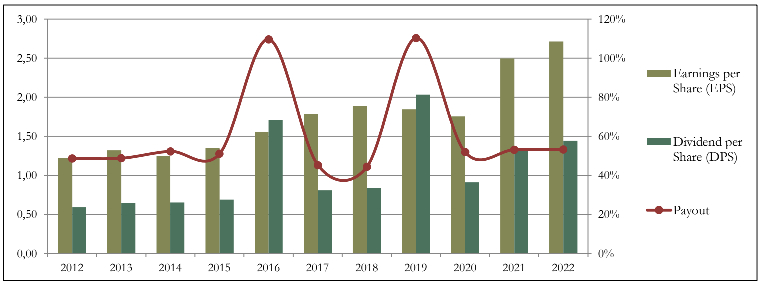
INCOME STATEMENT

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(£ Millions)
1.052	1.077	1.047	1.082	1.244	1.373	1.387	1.378	1.390	1.890	2.089		Sales
	2,4%	-2,8%	3,4%	15,0%	10,4%	1,0%	-0,7%	0,9%	35,9%	10,6%		Δ Sales vs Last Year
											7,10%	CAGR
286	299	285	303	347	386	399	406	401	582	636	*630*	EBITDA
255	265	248	264	298	332	343	340	320	469	515		EBIT
238	251	235	255	288	320	332	322	301	445	496		EBT
151	178	165	181	197	237	250	240	228	351	383		Net Earnings
24%	25%	24%	24%	24%	24%	25%	25%	23%	25%	25%		Operating Margin
14%	16%	16%	17%	16%	17%	18%	17%	16%	19%	18%		Net Margin
15%	17%	15%	14%	13%	14%	13%	13%	8%	11%	11%		ROA
44%	42%	34%	30%	32%	29%	25%	28%	14%	20%	16%		ROE
46%	43%	37%	30%	31%	27%	24%	25%	14%	19%	20%		ROCE

INCOME STATEMENT - SCORE

Sales	**5**
Net Margin	**5**
ROE/ROCE/ROA	**4**





DIVIDEND

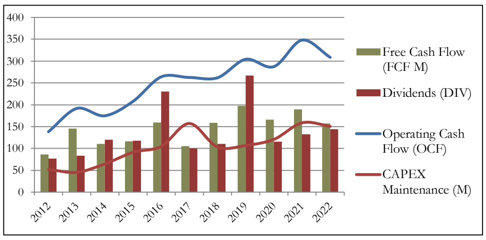
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(£ Millions)
1,22	1,32	1,25	1,35	1,56	1,79	1,89	1,85	1,75	2,50	2,71	*2,64*	Earnings per Share (EPS)
	8,3%	-5,3%	7,8%	15,4%	14,9%	5,7%	-2,4%	-5,0%	42,3%	8,8%		Δ EPS vs Last Year
											8,32%	CAGR
0,60	0,65	0,66	0,69	1,71	0,81	0,84	2,04	0,91	1,33	1,44		Dividend per Share (DPS)
	8,40%	1,55%	5,34%	147,46%	-52,56%	3,70%	142,26%	-55,28%	45,60%	8,98%		Δ DPS vs Last Year
49%	49%	52%	51%	110%	45%	44%	110%	52%	53%	53%		Payout
2,58%	2,68%	2,55%	2,33%	5,19%	1,89%	1,75%	3,97%	1,38%	1,31%	2,19%		Dividend Yield

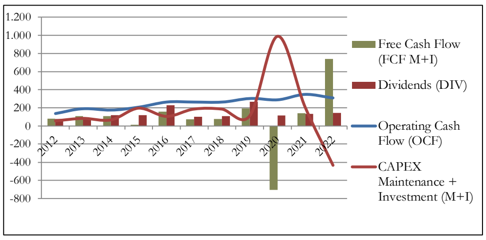
4,09%	Expected Dividend Yield in 5Y
6,37%	Expected Dividend Yield in 10Y
9,27%	CAGR

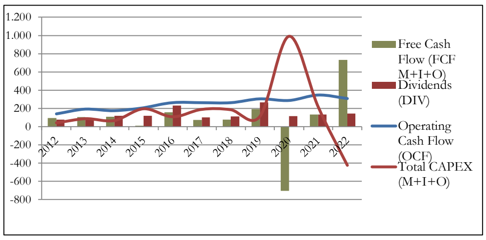
DIVIDEND - SCORE

Dividend	**0**
Growth	**3**
Payout	**4**

CASH FLOW





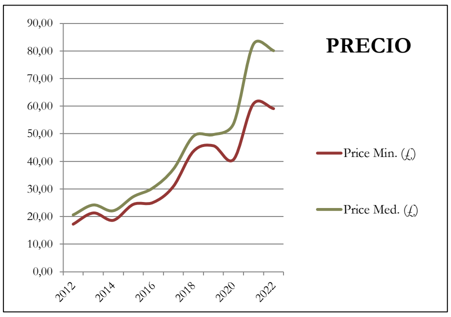


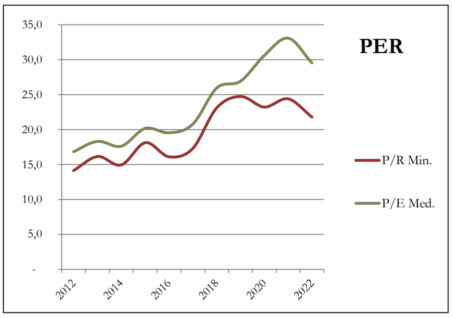
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(£ Millions)
138	191	175	208	264	263	262	304	287	348	308		Operating Cash Flow (OCF)
52	46	65	91	105	157	103	107	121	159	151		CAPEX Maintenance (M)
58	84	66	195	106	188	186	112	991	207	-433		CAPEX Maintenance + Investment (M+I)
42	86	67	197	107	190	185	112	992	216	-425		Total CAPEX (M+I+O)
86	**146**	**110**	**117**	**159**	**105**	**159**	**197**	**166**	**189**	**158**		Free Cash Flow (FCF M)
81	**108**	**108**	**13**	**158**	**75**	**76**	**192**	**-704**	**140**	**741**		Free Cash Flow (FCF M+I)
96	**106**	**108**	**11**	**157**	**73**	**77**	**192**	**-705**	**132**	**733**		Free Cash Flow (FCF M+I+O)
77	84	120	118	230	100	111	267	116	133	144		Dividends (DIV)
31	34	37	39	49	53	56	66	82	113	121		Depreciation / Amortization

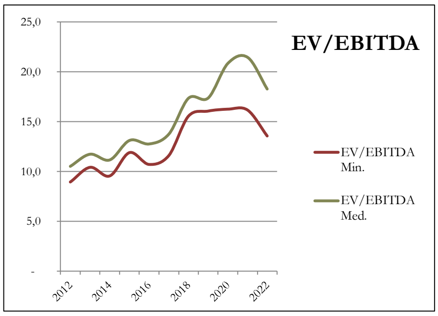
CASH FLOW - SCORE

Cash Flow	**1**

ANALYSIS - VALUATION







2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	
18,9	18,2	20,5	21,9	21,1	24,0	25,4	27,7	37,6	40,6	24,3		P/E (Fiscal Year End date)
11,7	11,7	12,9	14,2	13,7	15,7	17,0	17,9	25,2	26,0	15,1		EV/ EBITDA (Fiscal Year End date)
23,86	27,09	25,43	29,95	35,76	43,34	54,48	53,75	66,60	104,10	101,20		Price Max. (£)
17,24	21,33	18,68	24,46	25,08	30,94	43,71	45,64	40,70	60,82	59,08		Price Min. (£)
20,55	24,21	22,06	27,21	30,42	37,14	49,10	49,70	53,65	82,46	80,14		Price Med. (£)
16,8	18,3	17,6	20,2	19,5	20,7	25,9	26,9	30,6	33,1	29,5		P/E Med.
14,1	16,1	14,9	18,1	16,1	17,3	23,1	24,7	23,2	24,4	21,8		P/R Min.
2.559	3.112	2.726	3.601	3.722	4.478	6.203	6.524	6.520	9.402	8.624		EV Min.
3.011	3.504	3.186	3.976	4.437	5.299	6.915	7.059	8.366	12.486	11.626		EV Med.
8,9	10,4	9,6	11,9	10,7	11,6	15,6	16,1	16,2	16,2	13,6		EV/EBITDA Min.
10,5	11,7	11,2	13,1	12,8	13,7	17,3	17,4	20,8	21,5	18,3		EV/EBITDA Med.

2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
177	192	207	224	241	261	282	304	328	355	383		FCF Forecast (£)
	176	174	173	171	169	168	166	165	163	162	167	FCF Discounted (£)

PRICE MULTIPLES VALUATION

By **PER Med.**	£77,12
By **EV/EBITDA Med.**	£82,83
By **Closer Support**	£52,00

By **PER Min.**	£61,88
By **EV/EBITDA Min.**	£67,16
By **Farther Support**	£45,50

PRICES (DISCOUNTED CASH FLOW)

CAGR 10Y	8%
Perpetual CAGR	3%
Discount	9%

Target Price		**£31,91**
Security Margin	15%	**£27,13**
Security Margin	30%	**£22,34**

PRICE RANGE

1º TARGET PRICE	**£59,77**
2º TARGET PRICE	**£49,22**

These prices are calculated based on an average between Discounted Cash Flows and Historical Prices. For discounts, we estimate a free cash flow based on the average of the last 4 years, while the multiples are generated from the average and minimum PER and EV/EBITDA ratios from 2017.

TOTAL SCORE

FINANCIAL HEALTH

Intangibles	4
Debt	4
Liquidity	5
Retained Earnings	4
Financial Autonomy	5

PROFITABILITY

Sales	5
Net Margin	5
Ratios	4
Adjustment	5

DIVIDEND

Dividend	0
Growth	3
Payout	4
Repurchase	2
Cash Flow	1

DIVIDEND ST. - FINAL SCORE 3,64

CONCLUSION