



Nestlé Good food, Good life



2024

Three-month sales

Investor call

Disclaimer

This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.



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2024 Three-month sales

Mark Schneider, CEO



Key messages

- Organic sales growth of 1.4% reflects:
 - Pricing moderating to 3.4%, following a high base of comparison in 2023
 - RIG of -2.0%, impacted by soft consumer demand, particularly in North America
- Growth led by PetCare and confectionery; U.S. frozen food main drag
- Integration plan for vitamins, minerals and supplements business on track
- Market share trends improving, particularly for Billionaire brands





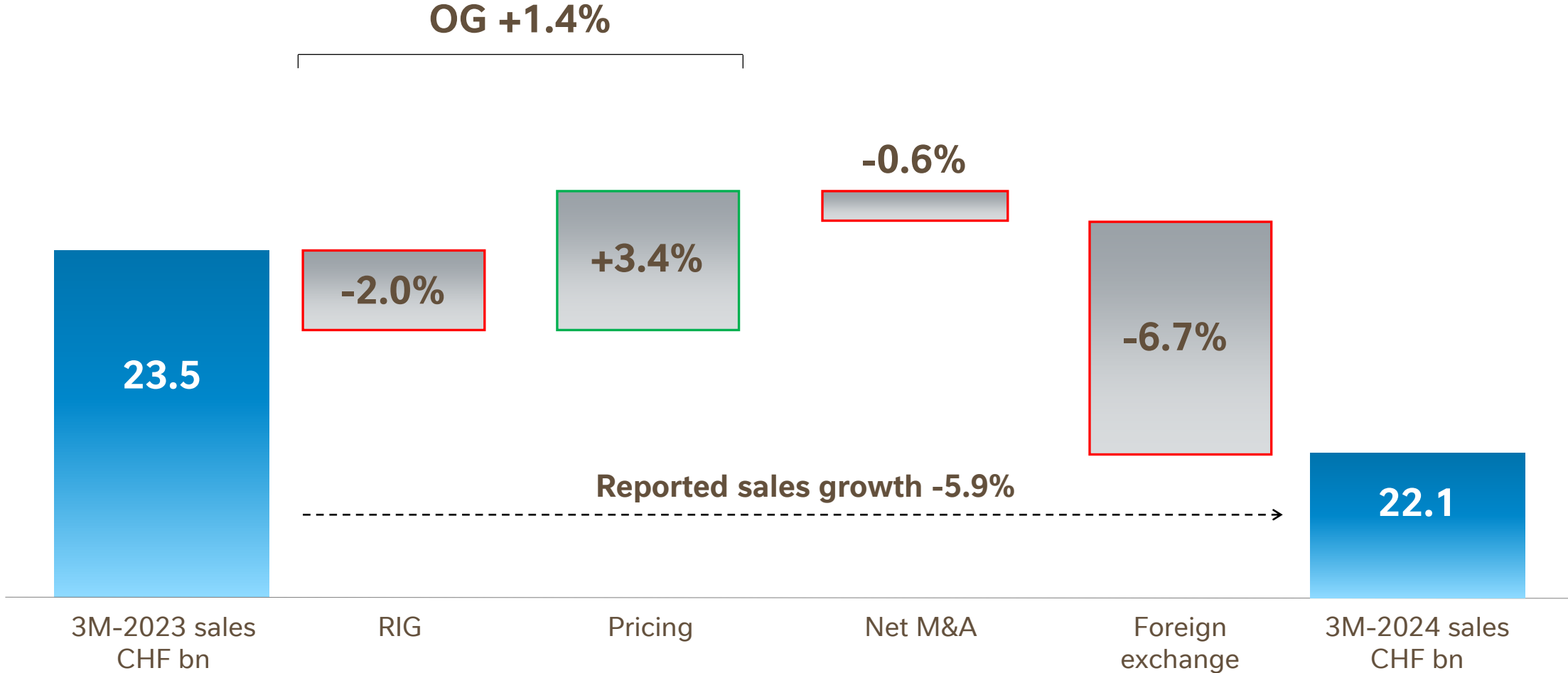
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2024 Three-month sales

Anna Manz, CFO



Three-month sales growth



Zone North America

Sales	CHF 5.8 bn
Real internal growth	-5.8%
Pricing	3.3%
Organic growth	-2.5%

- Main negative was frozen food impacted by soft consumer demand in the U.S.
- Main growth contributors were Purina PetCare, water, and coffee; delivering mid-single digit organic growth



Zone Europe

Sales	CHF 4.6 bn
Real internal growth	-0.2%
Pricing	4.6%
Organic growth	4.4%

- Broad-based growth across geographies
- Purina PetCare, coffee and confectionery were the key growth contributors



Zone Asia, Oceania and Africa

Sales	CHF 4.2 bn
Real internal growth	-0.4%
Pricing	4.1%
Organic growth	3.6%

- Central and West Africa, the Philippines and India were the main geographic growth drivers
- Growth was driven by infant nutrition, culinary and coffee, particularly for affordable offerings



Zone Latin America

Sales	CHF 3.1 bn
Real internal growth	-0.8%
Pricing	3.9%
Organic growth	3.1%

- Continued strong growth in Brazil
- Confectionery, with robust demand for *Garoto* and *KitKat*, and Nestlé Professional were key growth drivers



Zone Greater China

Sales	CHF 1.2 bn
Real internal growth	2.1%
Pricing	1.5%
Organic growth	3.7%

- Growth driven by out-of-home and e-commerce channels
- Confectionery, Nestlé Professional and coffee were the key growth contributors



Nestlé Health Science

Sales	CHF 1.5 bn
Real internal growth	-3.6%
Pricing	1.9%
Organic growth	-1.8%

- Vitamins, minerals and supplements posted negative growth due to temporary supply constraints
- Medical Nutrition delivered robust growth across most segments



Nespresso

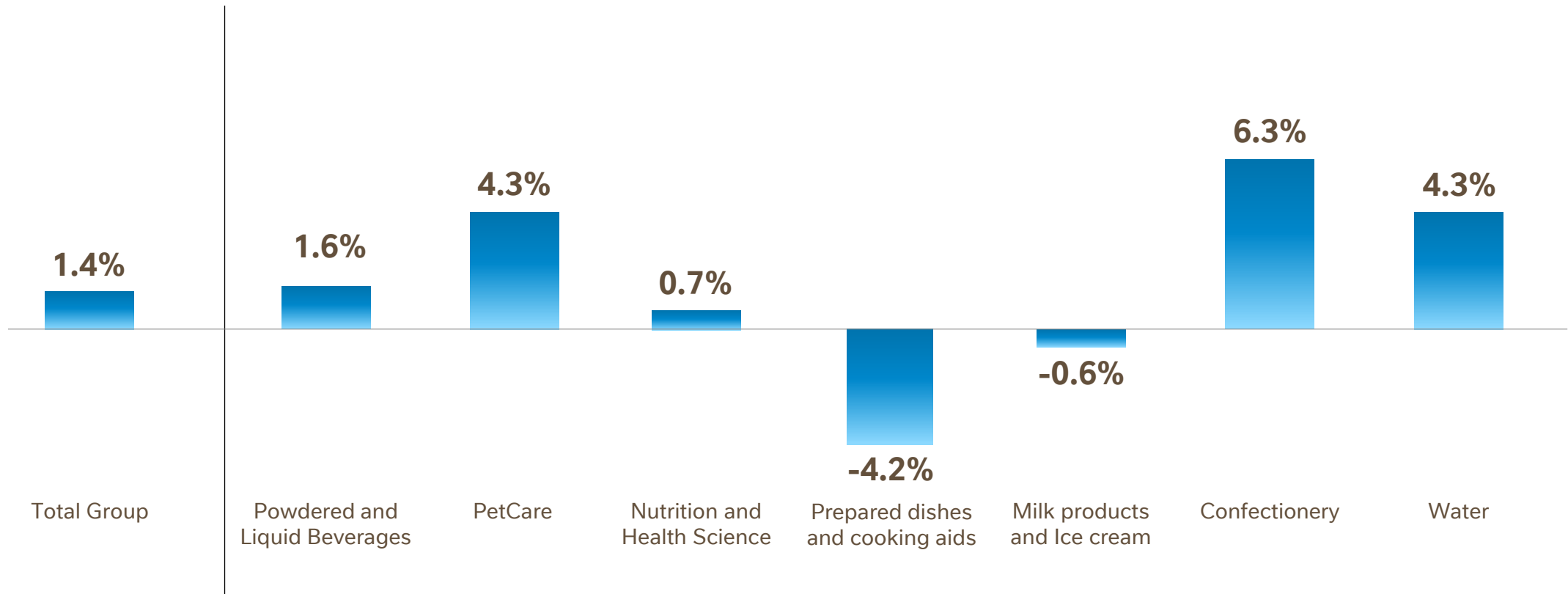
Sales	CHF 1.5 bn
Real internal growth	-0.2%
Pricing	1.2%
Organic growth	1.0%

- Vertuo continued to see broad-based momentum
- Mid-single digit growth in North America, more than offset slightly negative growth in Europe

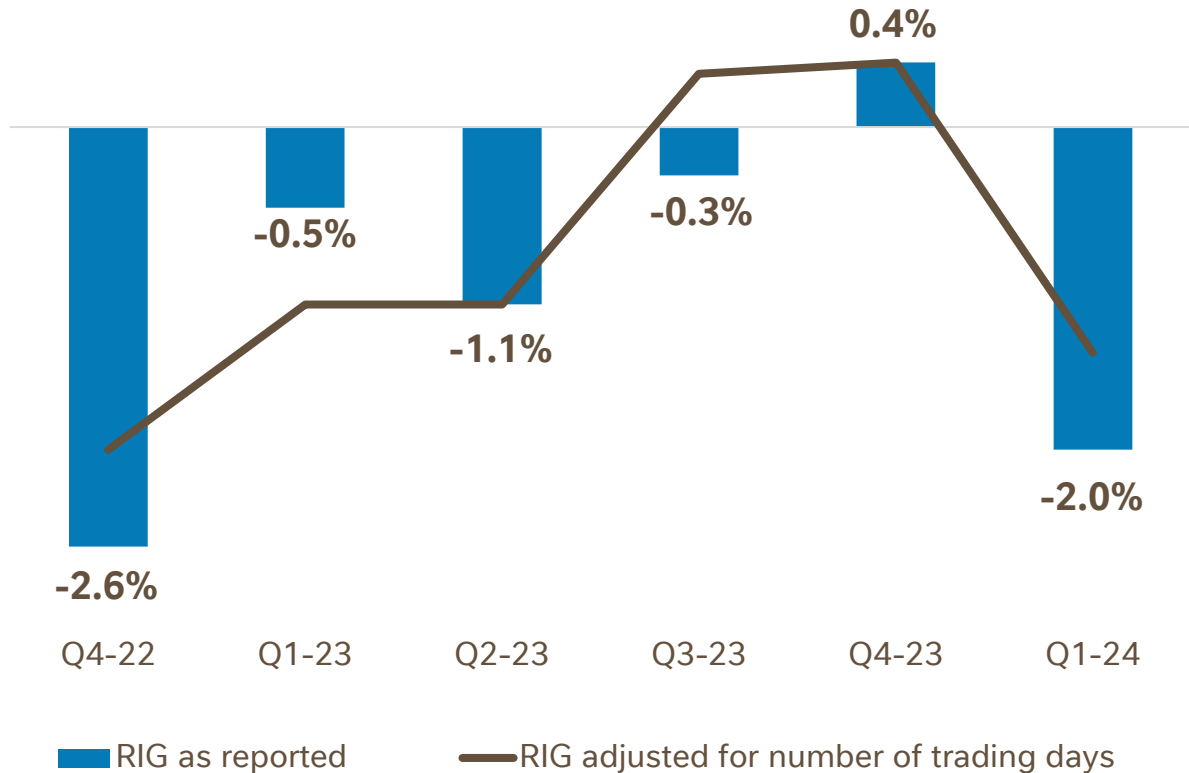


Category growth

Organic sales growth %



Group RIG evolution



Key factors in Q1-24

- Zone North America frozen food:
 - U.S. frozen pizza and snacks impacted by soft consumer demand and intense price competition
 - Winding down of Canada frozen meals
- Temporary supply constraint in VMS
- One less trading day

Drivers of RIG rebound in 2024

- North America moves beyond specific frozen food challenges
- Lap the reduction of the Supplemental Nutrition Assistance Program benefits in the U.S.
- Increase in marketing and promotional activity, particularly for Billionaire brands
- Re-ignition of vitamins, minerals and supplements growth
- Return to pre-covid innovation launch levels from the second quarter



2024 guidance confirmed

- Organic sales growth around 4%
- Moderate increase in underlying trading operating profit margin
- Underlying earnings per share growth in constant currency between 6% and 10%





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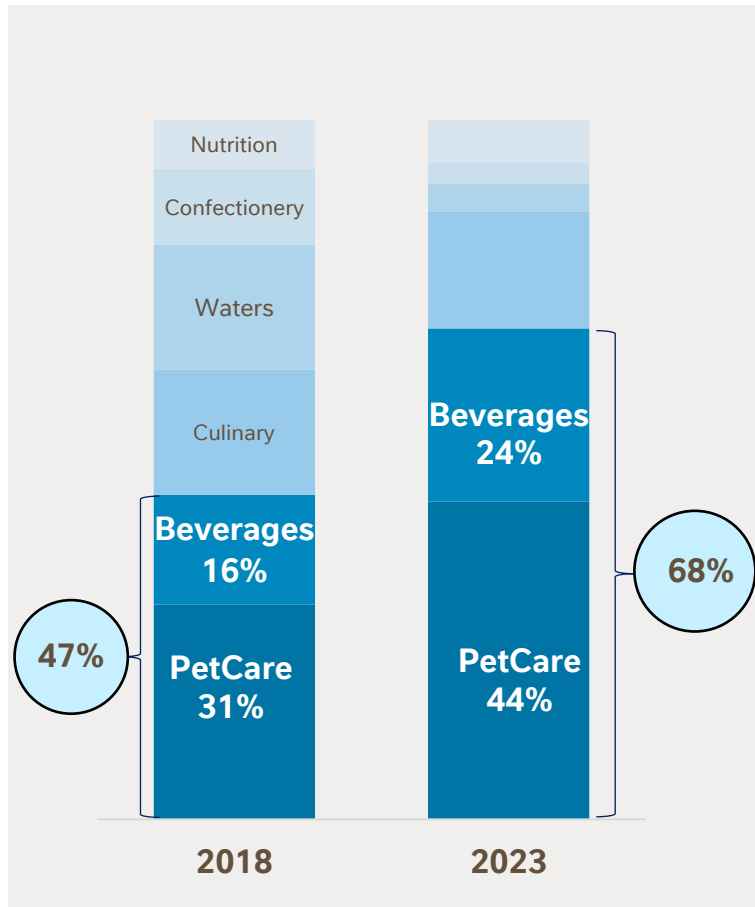
2024 Three-month sales

Mark Schneider, CEO

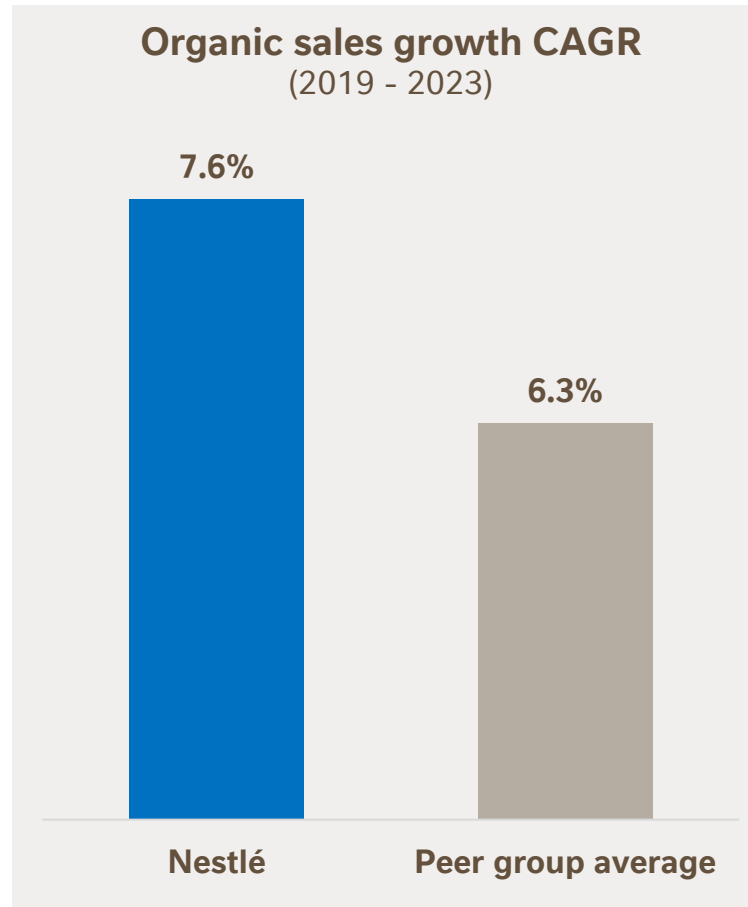


Zone North America set to return to growth

Portfolio substantially transformed



Superior sales growth and margin performance



Peer group includes: Coca Cola, Conagra, Danone, General Mills, Hershey, Keurig, Kraft-Heinz, McCormick, Mondelez, PepsiCo & Tyson

Q1-24 RIG headwinds Rebound underway

Headwinds

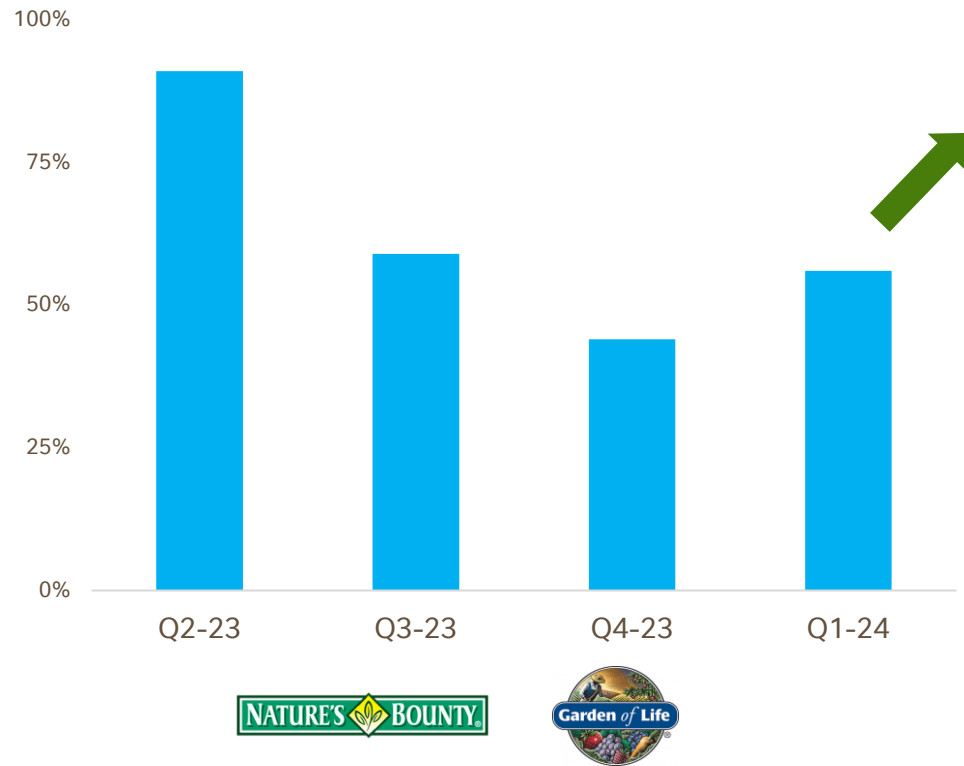
- Bifurcation of consumer demand
- Increased price-elasticities
- Reduction in consumer subsidies

RIG rebound drivers

- Increasing innovation intensity
- Stepping up commercial activities
- Lapping consumer subsidy reductions

Nestlé Health Science: VMS integration plan on track

Customer service improving;
on track for return to normal levels in H2-24



Full innovation roster across vitamins, minerals and supplements brands, strong focus on new segments



Category growth has returned to a consistent mid-single digit rate

Fueling growth through innovation

Capturing cold coffee opportunities with *Nescafé* and *Starbucks*



Driving Purina One growth through new **microbiome solutions**



Reinvigorating **U.S. frozen meals** business with new formats



Scaling *Maggi* into new food platforms and segments



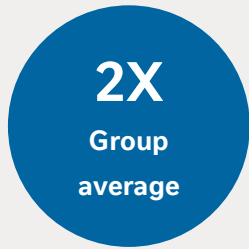
Expanding our **HMO*** portfolio with next generation nutrition



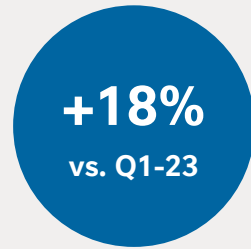
* Human milk oligosaccharides

Fueling Billionaire brand growth via increased marketing investment

Organic growth
Q1-24 delivery



Marketing investment*
Increasing share of total



Global campaigns
Increasing share of total



Market share*
Improving trend



* % year-on-year increase in CHF

* Business cells gaining or holding share



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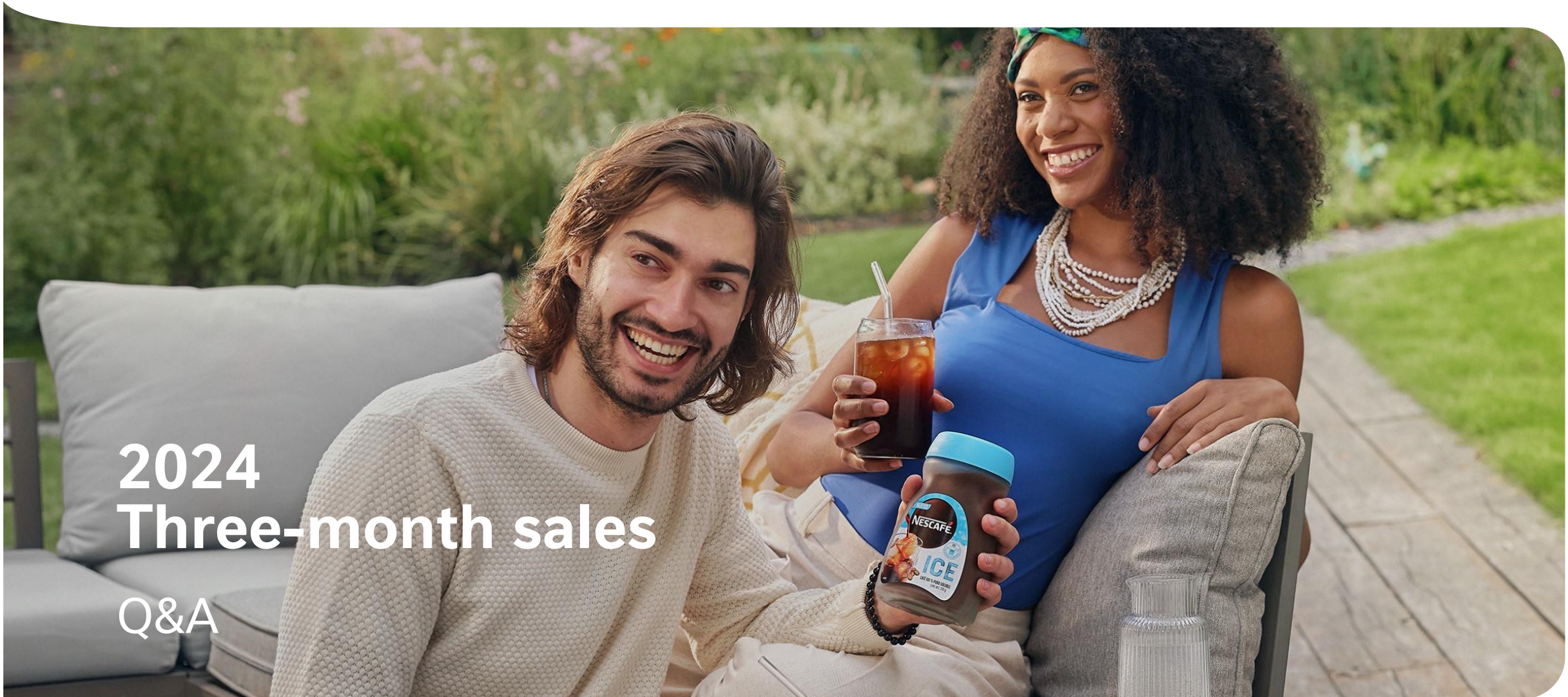
Key takeaway slide

- Organic sales growth of 1.4%, largely impacted by North America
- Focus on driving growth of our Billionaire brands through innovation and marketing investments
- Integration plan for vitamins, minerals and supplements business on track
- RIG set to rebound strongly in the second quarter, reliable growth for the remainder of the year
- 2024 guidance confirmed





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2024
Three-month sales
Q&A

3M-2024 Operating segments – topline summary

	3M-2024 sales						
	Sales (CHF m)	RIG %	Pricing %	OG %	Net M&A %	F/X %	Reported sales growth %
Zone North America	5 823	-5.8	3.3	-2.5	0.1	-5.3	-7.7
Zone Europe	4 642	-0.2	4.6	4.4	-3.6	-5.8	-5.0
Zone AOA	4 240	-0.4	4.1	3.6	-0.1	-13.0	-9.4
Zone Latin America	3 072	-0.8	3.9	3.1	-0.1	-1.5	1.5
Zone Greater China	1 233	2.1	1.5	3.7	0.2	-9.8	-5.9
Nestlé Health Science	1 511	-3.6	1.9	-1.8	0.7	-5.6	-6.6
Nespresso	1 503	-0.2	1.2	1.0	0.1	-5.1	-4.1
Other Businesses	68	3.0	1.7	4.7	0.0	-5.9	-1.2
Total Group	22 092	-2.0	3.4	1.4	-0.6	-6.7	-5.9



3M-2024 Products – topline summary

	3M-2024 sales			
	Sales (CHF m)	RIG %	Pricing %	OG %
Powdered and liquid beverages	5 847	-1.4	3.0	1.6
Water	701	-1.6	5.9	4.3
Milk products and Ice cream	2 605	-2.3	1.7	-0.6
Nutrition and Health Science	3 680	-2.5	3.2	0.7
Prepared dishes and cooking aids	2 626	-6.5	2.3	-4.2
Confectionery	2 043	0.4	5.9	6.3
Petcare	4 590	-0.4	4.7	4.3
Total Group	22 092	-2.0	3.4	1.4



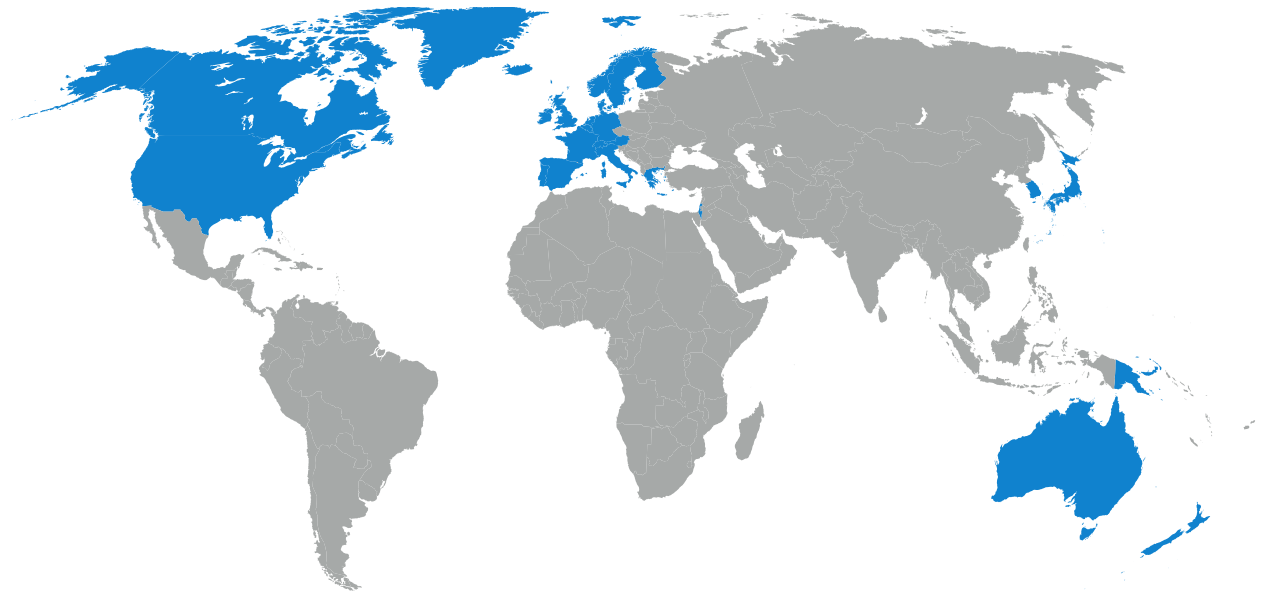
3M-2024 historical eight quarters

Period	RIG%	Pricing %	OG %
Q2-2022	0.9	7.7	8.7
Q3-2022	-0.2	9.5	9.3
Q4-2022	-2.6	10.1	7.5
Q1-2023	-0.5	9.8	9.3
Q2-2023	-1.1	9.1	8.0
Q3-2023	-0.3	6.3	6.0
Q4-2023	0.4	5.2	5.7
Q1-2024	-2.0	3.4	1.4



3M-2024 developed and emerging market growth

	Developed	Emerging
Sales (in CHF) % of Group sales	12.6 bn 57%	9.5 bn 43%
RIG	-3.3%	-0.1%
Pricing	2.9%	4.2%
OG	-0.4%	4.1%



3M-2024 currency overview

			Weighted average rate		
			3M-2023	3M-2024	Variation in %
US Dollar	1	USD	0.925	0.874	-5.5
Euro	1	EUR	0.993	0.949	-4.4
Chinese Yuan Renminbi	100	CNY	13.522	12.160	-10.1
Brazilian Real	100	BRL	17.796	17.655	-0.8
Philippine Peso	100	PHP	1.687	1.562	-7.4
UK Pound Sterling	1	GBP	1.124	1.109	-1.3
Mexican Peso	100	MXN	4.953	5.147	3.9
Canadian Dollar	1	CAD	0.684	0.648	-5.2
Japanese Yen	100	JPY	0.698	0.589	-15.6
Australian Dollar	1	AUD	0.633	0.575	-9.2
Indian Rupee	100	INR	1.125	1.053	-6.4



Abbreviations

- **OG** Organic growth
- **RIG** Real internal growth
- **AOA** Asia, Oceania and Africa
- **LATAM** Latin America
- **GC** Greater China

