

Ad hoc announcement pursuant to art. 53 SIX Swiss Exchange Listing Rules

MEDIA RELEASE

Sandoz reports strong FY 2024 results and Q4 2024 sales

- FY 2024 net sales¹ of USD 10.4 billion, up by 9%² in constant currencies (+7% in USD); Q4 net sales of USD 2.7 billion, up by 9% in constant currencies (+7% in USD)
- Strong sales performances in all three regions, driven by double-digit growth in biosimilars, both in the fourth quarter and full year, benefitting from recent launches and base-business momentum
- Operating income of USD 307 million, up by 5% in constant currencies (-18% in USD)
- Core EBITDA margin³ in the year of 20.1%, a strong 200 basis-points improvement, reflecting higher biosimilar sales, as well as savings from operational and organizational initiatives
- Full-year 2025 guidance of mid-single digit net-sales growth⁴ and a core EBITDA margin of around 21%

Basel, March 5, 2025 – Sandoz (SIX: SDZ / OTCQX: SDZNY), the global leader in generic and biosimilar medicines, announced today results for the full year and net sales for the fourth quarter of 2024.

KEY FULL-YEAR FIGURES

USD millions unless indicated otherwise	2024	2023	Change %	
			USD	cc
<i>Generics</i>	7,504	7,432	1	2
<i>Biosimilars</i>	2,853	2,215	29	30
Net sales to third parties	10,357	9,647	7	9
Operating income	307	375	(18)	5
Net income	1	80	(99)	nm
Diluted earnings per share (USD)	0.00	0.18	nm	nm
Core results				
Core EBITDA	2,080	1,743	19	24
Core EBITDA margin (%)	20.1	18.1		
Core net income	1,176	953	23	28
Core diluted earnings per share (USD)	2.71	2.20	23	28
Management free cash flow	1,112	99		
Net debt to core EBITDA ratio	1.6x	1.8x		
Core ROIC (%)	12.3	9.8		

nm = not meaningful

Richard Saynor, CEO of Sandoz, said: “We delivered strong results in our first full year as an independent company. At the same time, we made excellent progress in transforming the business, providing sustainable platforms for future growth, while all three regions grew net sales. We produced strong double-digit biosimilars sales growth in both the full year and fourth quarter, with generics growth accelerating in the second half. We also expanded our core EBITDA margin for the full year, driven by the strength of our

biosimilars and increasing operating leverage. This was further helped by the transformation program launched in early 2024.

“As we look to 2025, we expect the positive momentum in the business to continue. We anticipate contribution from several exciting biosimilar launches, including Pyzchiva® and Tyruko® in the US and Wyost®/Jubbonti® in Europe and the US. These will add to an already-growing in-market portfolio and contribute to margin expansion. In addition, we will continue to build on our industry-leading pipeline across generics and biosimilars. Our 2025 guidance and mid-term outlook reflect the confidence we have in the strategic roadmap, our ability to expand patient access further, as well as the many attractive opportunities ahead.”

2024 STRATEGIC PROGRESS

2024 saw a number of biosimilar launches, beginning in January, when Tyruko® (natalizumab) was launched in Germany. The product was available in 11 markets by the end of the year and is ramping up steadily. In April, Sandoz leveraged a private-label agreement in the US to accelerate patient switching to its biosimilar; Hyrimoz® (adalimumab) is now the leading adalimumab biosimilar in the US market. In July, the Company launched Pyzchiva® (ustekinumab) in Europe and, by the end of the year, the product had been rolled out in 20 markets and took a leading share of the ustekinumab biosimilar market.

Sandoz became the leading biosimilars provider on a worldwide basis. Moving up to #3 in the US during the period, the Company reaffirms its ambition to occupy the leading position in that market. The Company added five assets to its industry-leading biosimilars pipeline, which now comprises 28 molecules. Pembrolizumab and nivolumab, two oncology assets addressing more than USD 40 billion of loss-of-exclusivity value, entered late-stage clinical trials. Around 450 generic pipeline products, in addition to its 28 biosimilars, support the goal of sustainable long-term growth.

Sandoz also made good progress on simplifying the business and adapting its processes. It achieved its planned reduction to 15 internal manufacturing sites, while increasing capacity at its remaining sites through extensions and efficiencies. The Company also made further headway in its consolidation of external suppliers, with the exit of around 100 finished-dosage-form suppliers ongoing and a similar number identified. Finally, Sandoz initiated a transformation program to make its organization more agile, simpler and more efficient.

GUIDANCE: 2025

The Company anticipates further major biosimilar launches in 2025, including Pyzchiva® and Tyruko® in the US, as well as Wyost®/Jubbonti® (denosumab) in Europe and the US. Price erosion is expected to return to normalized levels of a low to mid-single-digit percentage. Sandoz anticipates core EBITDA-margin expansion by focusing on product mix, simplification of its external network and its ongoing transformation program. As a result, Sandoz expects, in FY 2025:

- net sales to grow by a mid-single digit percentage in constant currencies
- a core EBITDA margin of around 21%

The guidance excludes any impacts of unforeseen events or unconfirmed developments. This includes potential trade tariffs emanating from the US government.

MID-TERM OUTLOOK

Reaffirming its mid-term outlook to 2028, the Company expects:

- net sales to grow annually by mid-single digit in constant currencies
- the core EBITDA margin to increase to 24-26%
- the annual dividend to represent 30-40% of full-year core net income

FOURTH-QUARTER AND FULL-YEAR SALES

Net sales for the fourth quarter were USD 2.7 billion, up by 9% in constant currencies. Volume contributed eight percentage points of growth, with the balance reflecting favorable pricing. Strong double-digit growth in biosimilars was driven by recent launches and strong momentum in the base business, while generics delivered solid growth that reflected recent launches.

Net sales for the full year were USD 10.4 billion, up by 9% in constant currencies. Volume contributed 10 percentage points of growth, partly offset by price erosion of one percentage point. The growth in sales primarily reflected the strong double-digit performance in biosimilars, continued demand in the base business, new launches in the US and Europe, as well as the acquisition of Cimerli® in the US.

Net sales by business

USD millions unless indicated otherwise			Change %				Change %	
	Q4 2024	Q4 2023	USD	cc*	FY 2024	FY 2023	USD	cc*
Generics	1,946	1,920	1	4	7,504	7,432	1	2
Biosimilars	769	623	23	25	2,853	2,215	29	30
Net sales to third parties	2,715	2,543	7	9	10,357	9,647	7	9

* In constant currencies

Generics overview

Net sales for the fourth quarter were USD 1.9 billion, up by 4% in constant currencies. Net sales for the full year were USD 7.5 billion, up by 2% in constant currencies.

Growth in Europe accelerated in the second half of the year, mainly driven by recent launches. Strong momentum also continued in the International region, reflecting favorable pricing dynamics and demand for antifungal agent Mycamine®, partly offset by the divestment in the year of the Sandoz Chinese business. The decline in North America generics sales was due to price erosion on the mature products portfolio in the US, partly offset by new launches in the fourth quarter in the US.

Biosimilars overview

Net sales for the fourth quarter were USD 769 million, up 25% in constant currencies. Net sales for the full year were USD 2.9 billion, up 30% in constant currencies. The biosimilars share of total net sales increased from 23% in FY 2023 to 28% in FY 2024.

The strong double-digit biosimilars growth reflects the uptake of Hyrimoz® in the US through the private-label agreement with Cordavis as well as the Sandoz Hyrimoz® and unbranded adalimumab-adaz. In addition, the acquisition of Cimerli®, the continued strong demand for the first-ever biosimilar, Omnitrope® (somatropin), and the launches of Tyruko® and Pyzchiva® in Europe all contributed to the strong performance.

Net sales by region⁵

USD millions unless indicated otherwise	Q4 2024	Q4 2023	Change %		FY 2024	FY 2023	Change %	
			USD	cc			USD	cc
Europe	1,367	1,272	7	8	5,363	5,023	7	6
North America	695	615	13	14	2,437	2,129	14	15
International	653	656	0	6	2,557	2,495	2	8
Net sales to third parties	2,715	2,543	7	9	10,357	9,647	7	9

Europe overview

Net sales for the fourth quarter were USD 1.4 billion, up 8% in constant currencies. Net sales for the full year were USD 5.4 billion, up 6% in constant currencies.

Strong growth in biosimilars continued, led by demand for Omnitrope® and the contribution from the recent launch of Tyruko® and Pyzchiva®. Generics momentum accelerated in the second half of the year, driven by recent launches.

North America overview

Net sales for the fourth quarter were USD 695 million, up 14% in constant currencies. Net sales for the full year were USD 2.4 billion, up 15% in constant currencies.

Growth was driven by biosimilars with the ongoing uptake of Hyrimoz® in the US, the acquisition of Cimerli®, market share gains for Omnitrope® in the US, and the launch of Wyost®/Jubbonti® in Canada. In generics, price erosion on the mature portfolio in the US was partly offset by new launches in the fourth quarter, including paclitaxel.

International overview

Net sales for the fourth quarter were USD 653 million, up 6% in constant currencies. Net sales for the full year were USD 2.6 billion, up 8% in constant currencies.

This was primarily a result of strong volume growth across both generics and biosimilars, the contribution from the acquisition of Mycamine® in the prior year, favorable price dynamics and recent launches, partly offset by the divestment of the Chinese business in the second quarter.

SANDOZ

OPERATING RESULTS

USD millions unless indicated otherwise	2024	2023	Change %	
			USD	cc
Net sales to third parties	10,357	9,647	7	9
Gross profit	4,926	4,564	8	10
EBITDA	820	914	(10)	(1)
Operating income	307	375	(18)	5
Core results				
Core gross profit	5,253	4,913	7	9
<i>% of net sales to third parties</i>	<i>50.7</i>	<i>50.9</i>		
Core EBITDA	2,080	1,743	19	24
<i>% of net sales to third parties</i>	<i>20.1</i>	<i>18.1</i>		
Core operating income	1,821	1,488	22	28
<i>% of net sales to third parties</i>	<i>17.6</i>	<i>15.4</i>		

Core gross profit amounted to USD 5.3 billion compared to USD 4.9 billion in the prior year, resulting in a core gross profit margin of 50.7% compared to 50.9% in 2023. Adjusted for sales to the former parent, the core gross profit margin was 49.4% in 2023. The favorable product mix from strong double-digit biosimilars growth and operational improvements was partly offset by price erosion and inflation on cost of goods sold, which impacted the results in the first half of 2024.

Core EBITDA was USD 2.1 billion versus USD 1.7 billion in the prior year, resulting in a core EBITDA margin of 20.1% compared to 18.1% in 2023. Adjusted for sales to the former parent and the ramp-up of standalone costs, the core EBITDA margin was 16.9% in 2023. The strong increase was driven by improvement in core gross profit margin, leveraging expenses from a growing topline and initial savings from our transformation program.

EBITDA was USD 820 million versus USD 914 million in the prior year. Core adjustments for EBITDA in 2024 were USD 1.3 billion compared to USD 829 million in 2023. These were mainly driven by separation costs of USD 348 million, transformation costs of USD 233 million and costs of rationalization of internal manufacturing sites of USD 78 million. In addition, adjustments for legal costs of USD 598 million were mainly driven by the legacy US generic antitrust class action litigation.

NON-OPERATING RESULTS

USD millions unless indicated otherwise	2024	2023	Change %	
			USD	cc
Net financial result	(318)	(245)	(30)	(41)
Income taxes	12	(50)	nm	nm
Net income	1	80	nm	nm
Diluted earnings per share (USD)	0.00	0.18	nm	nm
Core results				
Core net financial results	(325)	(251)	(29)	(41)
<i>Core income taxes</i>	<i>(320)</i>	<i>(284)</i>	<i>(13)</i>	<i>(17)</i>
<i>Core effective tax rate (%)</i>	<i>21.4</i>	<i>23.0</i>		
Core net income	1,176	953	23	28
Core diluted earnings per share (USD)	2.71	2.20	23	28

nm = not meaningful

SANDOZ

The core net financial result was an expense of USD 325 million compared to an expense of USD 251 million in 2023. The increase was primarily a result of our new standalone financing structure following the spin-off from our former parent and net currency result.

The core effective tax rate was 21.4% compared to 23.0% in the prior year, mainly driven by the geographical allocation of pre-tax income and losses.

Core net income was USD 1.2 billion, compared to USD 953 million in the prior year, mainly driven by a higher core operating income, partly offset by a higher core net financial result and core income taxes.

Core diluted earnings per share were USD 2.71, compared to USD 2.20 in the prior year. The weighted average number of shares diluted was 434.0 million in 2024.

CASH FLOW

USD millions	2024	2023	Change in USD
Net cash flow from operating activities	656	362	294
Cash flows used for net CAPEX	(554)	(586)	32
Free cash flow	98	(234)	332
Management free cash flow	1,112	99	1,013

The Company generated net cash flows from operating activities of USD 656 million, compared with USD 362 million in the prior year. This was driven by working capital enhancements through improvements in receivables and a lower rate of increase in inventories following the spin-off from our former parent, partly offset by two deposited settlement amounts relating to the legacy US legal matters.

Cash flows used for capital expenditures (CAPEX) were USD 554 million compared to USD 586 million in the prior year. This includes investments in our new biosimilars facility in Slovenia and new development capabilities in Slovenia and Germany, as well as separation-related investments in facilities and technology. These investments are mainly focused on meeting growing demand for our current and future biosimilars and include a new biosimilar production plant in Lendava, Slovenia, and investments in the Sandoz antibiotics network in Kundl, Austria.

Free cash flow was USD 98 million compared to negative USD 234 million in the prior year. The improvement was mainly due to net cash flows from operating activities.

Management free cash flow, defined as free cash flow adjusted for one-off items, was USD 1.1 billion, a USD 1.0 billion improvement compared to USD 99 million in the prior year. The increase was mainly driven by higher core EBITDA and improvement in net working capital.

CAPITAL RESOURCES

USD millions unless indicated otherwise	December 31		Change in USD
	2024	2023	
<i>Inventories</i>	2,800	2,700	100
<i>Trade receivables</i>	2,205	2,615	(410)
<i>Trade payables</i>	1,519	1,593	(74)
Net working capital	3,486	3,722	(236)
Total financial debts (incl. derivative financial instruments)	4,535	4,259	276
Cash and cash equivalents	1,191	1,109	82
Net debt	3,329	3,115	214
Net debt to core EBITDA ratio	1.6x	1.8x	
Total equity	8,164	8,654	(490)
Core ROIC (%)	12.3	9.8	

Net working capital decreased by USD 236 million compared to the prior year. Inventories increased by USD 100 million, mainly driven by the build-up for product launches and higher sales. Trade receivables decreased by USD 410 million while trade payables remained broadly in line with the prior year.

Total financial debts increased by USD 276 million, resulting mainly from the issuance of a EUR senior fixed rate note in September 2024 of EUR 600 million (USD 660 million), partly offset by favorable currency translation effects and repayments of local debt facilities.

Cash and cash equivalents increased by USD 82 million, mainly driven by net proceeds from the issuance of the senior fixed rate note and net cash flows from operating activities, partly offset by the first dividend payment of USD 215 million and the Cimerli® acquisition of USD 188 million.

As a result, net debt increased to USD 3.3 billion on December 31, 2024 compared to USD 3.1 billion on December 31, 2023. Net debt to core EBITDA ratio decreased to 1.6 times on December 31, 2024, compared to 1.8 times in the prior year, reflecting the strong growth in core EBITDA in 2024.

Total equity decreased by USD 490 million. Net income of USD 1 million for the year was primarily offset by the dividend payment of USD 212 million and unfavorable currency-translation differences of USD 323 million.

Core ROIC was 12.3% versus 9.8% in the prior year, driven mainly by strong growth in core operating income.

DIVIDEND

The Board of Directors recommends a dividend of CHF 0.60 per share, representing 24% of core net income in line with Company guidance. This represents a CHF 0.15 per share increase compared to prior year. Shareholders will vote on this proposal at the Annual General Meeting on April 15, 2025.

INTEGRATED ANNUAL REPORT

The Company published its 2024 Integrated Annual Report today, which can be found online [here](#).

KEY LINKS

[Webcast](#) – Live at 9am CET, March 5, 2025.

[Analyst call presentation](#)

[Analyst consensus](#)

CALENDAR

Sandoz will hold its Annual General Meeting on April 15, 2025. The Company intends to publish its first-quarter sales update on April 30, 2025.

DISCLAIMER

This media release contains forward-looking statements, which offer no guarantee with regard to future performance. These statements are made on the basis of management's views and assumptions regarding future events and business performance at the time the statements are made. They are subject to risks and uncertainties including, but not confined to, future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors outside of the control of Sandoz. Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, actual outcomes may vary materially from those forecasted or expected. Each forward-looking statement speaks only as of the date of the particular statement, and Sandoz undertakes no obligation to publicly update or revise any forward-looking statements, except as required by law.

This media release includes non-IFRS financial measures as defined by Sandoz. An explanation of non-IFRS measures can be found in the Supplementary financial information of the 2024 Integrated Annual Report.

ABOUT SANDOZ

Sandoz (SIX: SDZ; OTCQX: SDZNY) is the global leader in generic and biosimilar medicines, with a growth strategy driven by its Purpose: pioneering access for patients. More than 20,000 people of 100 nationalities work together to ensure 900 million patient treatments are provided by Sandoz, generating substantial global healthcare savings and an even larger social impact. Its leading portfolio of approximately 1,300 products addresses diseases from the common cold to cancer. Headquartered in Basel, Switzerland, Sandoz traces its heritage back to 1886. Its history of breakthroughs includes Calcium Sandoz in 1929, the world's first oral penicillin in 1951, and the world's first biosimilar in 2006. In 2024, Sandoz recorded net sales of USD 10.4 billion.

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SUPPORTING FINANCIAL INFORMATION

Regional sales split

Full-year 2024

USD millions unless indicated otherwise	FY 2024	FY 2023	Change %	
			USD	cc
Generics	7,504	7,432	1	2
Biosimilars	2,853	2,215	29	30
Net sales to third parties	10,357	9,647	7	9

USD millions unless indicated otherwise	FY 2024	FY 2023	Change %	
			USD	cc
Europe	5,363	5,023	7	6
<i>Generics</i>	3,769	3,644	3	3
<i>Biosimilars</i>	1,594	1,379	16	15
North America	2,437	2,129	14	15
<i>Generics</i>	1,622	1,675	(3)	(3)
<i>Biosimilars</i>	815	454	80	80
International	2,557	2,495	2	8
<i>Generics</i>	2,113	2,113	0	6
<i>Biosimilars</i>	444	382	16	24
Net sales to third parties	10,357	9,647	7	9

H1 and H2 2024

USD millions unless indicated otherwise	H1 2024	H1 2023	Change %		H2 2024	H2 2023	Change %	
			USD	cc			USD	cc
Generics	3,704	3,718	0	1	3,800	3,714	2	4
Biosimilars	1,343	1,049	28	29	1,510	1,166	30	31
Net sales to third parties	5,047	4,767	6	7	5,310	4,880	9	10

USD millions unless indicated otherwise	H1 2024	H1 2023	Change %		H2 2024	H2 2023	Change %	
			USD	cc			USD	cc
Europe	2,634	2,547	3	3	2,729	2,476	10	10
<i>Generics</i>	1,881	1,870	1	0	1,888	1,774	6	6
<i>Biosimilars</i>	753	677	11	11	841	702	20	19
North America	1,144	1,004	14	14	1,293	1,125	15	16
<i>Generics</i>	768	825	(7)	(7)	854	850	0	1
<i>Biosimilars</i>	376	179	110	110	439	275	60	60
International	1,269	1,216	4	10	1,288	1,279	1	7
<i>Generics</i>	1,055	1,023	3	9	1,058	1,090	(3)	3
<i>Biosimilars</i>	214	193	11	18	230	189	22	30
Net sales to third parties	5,047	4,767	6	7	5,310	4,880	9	10

SANDOZ

Quarterly Sales

2024

USD millions unless indicated otherwise	Change %			Change %			Change %			Change %		
	Q1 2024	USD	cc	Q2 2024	USD	cc	Q3 2024	USD	cc	Q4 2024	USD	cc
Generics	1,869	0	1	1,835	(1)	1	1,854	3	4	1,946	1	4
Biosimilars	623	21	21	720	35	37	741	36	37	769	23	25
Net sales to third parties	2,492	5	6	2,555	7	9	2,595	11	12	2,715	7	9
USD millions unless indicated otherwise	Change %			Change %			Change %			Change %		
	Q1 2024	USD	cc	Q2 2024	USD	cc	Q3 2024	USD	cc	Q4 2024	USD	cc
Europe	1,326	4	2	1,308	2	3	1,362	13	12	1,367	7	8
North America	524	6	6	620	22	23	598	17	18	695	13	14
International	642	4	12	627	5	9	635	2	8	653	0	6
Net sales to third parties	2,492	5	6	2,555	7	9	2,595	11	12	2,715	7	9

2023

USD millions unless indicated otherwise	Change %			Change %			Change %			Change %		
	Q1 2023	USD	cc	Q2 2023	USD	cc	Q3 2023	USD	cc	Q4 2023	USD	cc
Generics	1,868	2	6	1,850	4	6	1,794	5	4	1,920	6	6
Biosimilars	516	11	17	533	13	14	543	7	4	623	29	26
Net sales to third parties	2,384	4	9	2,383	5	8	2,337	6	4	2,543	11	10
USD millions unless indicated otherwise	Change %			Change %			Change %			Change %		
	Q1 2023	USD	cc	Q2 2023	USD	cc	Q3 2023	USD	cc	Q4 2023	USD	cc
Europe	1,270	10	16	1,277	14	12	1,204	11	3	1,272	10	4
North America	496	(5)	(3)	508	(4)	(2)	510	(4)	(3)	615	20	20
International	618	(1)	4	598	(3)	8	623	3	12	656	4	14
Net sales to third parties	2,384	4	9	2,383	5	8	2,337	6	4	2,543	11	10

Reconciliation of core results

Reconciliation from IFRS results to core results

FY 2024

USD millions unless indicated otherwise	IFRS results	Amortization of intangible assets ⁶	Impairments ⁷	Acquisition or divestment of businesses and related items ⁸	Other items ⁹	Core results
Net sales	10,357					10,357
Other revenues	27					27
Cost of goods sold	(5,458)	233	8	7	79	(5,131)
Gross profit	4,926	233	8	7	79	5,253
Selling, general and administration	(2,433)				23	(2,410)
Development and regulatory	(932)		(1)		2	(931)
Other income	215			(36)	(73)	106
Other expense	(1,469)		1	15	1,256	(197)
Operating income¹⁰	307	233	8	(14)	1,287	1,821
Interest expense	(251)					(251)
Other financial income and expense	(67)				(7)	(74)
(Loss) / Income before taxes	(11)	233	8	(14)	1,280	1,496
Income taxes ¹¹	12					(320)
Net income	1					1,176
Basic earnings per share (USD)	0.00					2.73
Diluted earnings per share (USD)	0.00					2.71

¹ Net sales in this document refer systematically to net sales to third parties. In the first nine months of 2023, third-party sales excluded sales to the former parent. Post spin-off, sales to the former parent have been reported within net sales to third parties.

² Growth is presented versus the prior-year period unless indicated otherwise.

³ Non-IFRS measures are defined in the Supplementary Financial Information section of the 2024 Integrated Annual Report.

⁴ In constant currencies.

⁵ Breakdown of region by business available in the appendix for H1, H2 and FY 2024

⁶ Amortization of intangible assets: cost of goods sold includes the amortization of rights to currently marketed products and other production-related intangible assets.

⁷ Impairments: cost of goods sold, development and regulatory and other expense include impairment charges and reversals related to intangible assets and property, plant and equipment.

⁸ Acquisition or divestment of businesses and related items: cost of goods sold, other income and other expense include the gain from the China business divestment and portfolio agreement and expenses related to the acquisition of the Cimerli® business.

⁹ Other items: costs of goods sold, other income and other expense include the Group-wide rationalization of manufacturing sites; costs of goods sold, selling general and administration, development and regulatory and other expense include the separation costs related to the spin-off; selling general and administration, development and regulatory and other expense include the costs related to the transformation program and other restructuring charges; other income and other expense also include legal-related items; other expense includes fees for contract terminations; other income includes the adjustment to the fair value of the contingent consideration; other financial income and expense includes the monetary gain on the restatement of non-monetary items for subsidiaries in hyperinflationary economies

¹⁰ For further breakdown of core adjustments by category, refer to table Reconciliation from IFRS operating income to core net income.

¹¹ Taxes on the adjustments between IFRS and core results take into account, for each individual item included in the adjustment, the tax rate that will finally be applicable to the item based on the jurisdiction where the adjustment will finally have a tax impact. Generally, this results in amortization and impairment of intangible assets and acquisition-related restructuring and integration items having a full tax impact. There is usually a tax impact on other items, although this is not always the case for items arising from legal settlements in certain jurisdictions. Due to these factors and the differing applicable tax rates in the various jurisdictions, the tax on the total adjustments of USD 1.5 billion to arrive at the core results before tax amounts to USD 332 million. The average tax rate on the adjustments was 22.0%.

Further reconciliations of core results are available in the [Supplementary Financial Information section of the 2024 Integrated Annual Report](#).