

Press Release

Holzminden, Germany, March 6, 2024

Symrise again raises sales significantly in 2023

- Group sales increase by 2.4 % to € 4,730 million (2022: € 4,618 million); organic growth of 7.9 %
 - Adjusted EBITDA of € 903 million slightly below previous year's figure (2022: € 922 million¹)
 - Adjusted EBITDA margin of 19.1 %
 - Symrise plans 14th consecutive dividend increase
 - Symrise reaffirms long-term profitable growth course
 - Company ideally positioned concerning the planned CEO change
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Symrise AG – a leading global supplier of fragrances, flavorings, cosmetic active ingredients and raw materials, as well as functional ingredients – ended the 2023 fiscal year with clear growth in sales and a slight decline in profitability, despite challenging economic conditions.

The Symrise Group generated sales of € 4,730 million in the 2023 fiscal year, an increase of 2.4 % in the reporting currency. Excluding portfolio and currency translation effects, organic sales growth amounted to 7.9 %. At a total of € 903.5 million, adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) were € 18.0 million lower than the previous year's figure of € 921.5 million¹. This corresponds to a margin of 19.1 % (2022: 20.0 %¹).

Against the backdrop of its good business performance overall in the past fiscal year, Symrise AG is planning to raise the dividend for the 14th time in succession. At the Annual General Meeting on May 15, 2024, the Executive Board and Supervisory Board will propose increasing the dividend to € 1.10 per share (2022: € 1.05).

Heinz-Jürgen Bertram, Chief Executive Officer of Symrise AG: "2023 was again a successful year of growth for Symrise. The ongoing geopolitical crises, rising operating costs and high volatility in our core markets had a negative effect on our profitability. We reacted quickly and immediately initiated measures to improve the cost situation. We enhanced our portfolio very positively through targeted acquisitions and strategic partnerships. For this reason, our outlook for 2024 is correspondingly optimistic. Symrise is ideally positioned for the future. Now is the right moment to pass on to Jean-Yves Parisot, so he can shape the next chapter of our success story."

Preparations for the announced change of leadership at the end of March are going to plan.

Jean-Yves Parisot, member of the Executive Board and incoming Chief Executive Officer of Symrise AG: "We will build on Symrise's great potential and continue our targeted approach to developing our company. At the same time, we will give the utmost priority to serving our customers' needs. That is what has made Symrise great and will continue to shape the company's future success."

¹ Excluding impairment of the associated company Swedencare

Sales development in the regions

Business in the Europe, Africa, Middle East (EAME) region developed very positively, with sales growing organically by 15.3 %. Sales development in North America saw a significant negative impact from the production stoppage at Colonel Island. In organic terms, the region's sales were 1.8 % lower than in the previous year. The Asia/Pacific region achieved organic sales growth of 4.0 % compared to the previous year. Sales development in Latin America was dynamic and delivered organic growth of 14.7 %.

Earnings performance and net income

Despite the good sales development in the 2023 fiscal year, earnings remained below expectations. The cost of goods sold increased slightly faster than sales, which was mainly attributable to higher raw material and manufacturing costs. The gross margin in the reporting year was 36.8 %, virtually level with the previous year's figure of 36.9 %. Compared to the previous year, the R & D rate relative to sales increased from 5.5 % to 5.6 %, due especially to higher expenses for basic research.

Moreover, one-time effects totaling € 51.8 million had a negative impact on earnings, primarily due to the production stoppage at Colonel Island, USA, expenses relating to the new strategic focus of the Scent & Care segment and costs associated with the antitrust investigation.

Adjusted for these one-time effects, adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of € 903.5 million were € 18.0 million lower than the previous year's figure of € 921.5 million². This corresponds to a margin of 19.1 % (2022: 20.0 %²).

Net income attributable to the shareholders of Symrise AG amounted to € 340 million, which was € 66 million lower than the previous year's figure (2022: € 406 million²). Earnings per share were € 2.44 and thus € 0.47 below the previous year's figure of € 2.91². At the Annual General Meeting on May 15, 2024, the Executive Board and Supervisory Board of Symrise AG will propose increasing the dividend to € 1.10 per share.

Cash flow, net debt and equity ratio

The cash flow from operating activities of € 720 million was significantly above the previous year's level (2022: € 360 million), driven mainly by a reduction in working capital and lower tax payments compared to 2022. The operating cash flow rate relative to sales was 15.2 %.

The adjusted business free cash flow, which is a primary internal key performance indicator and comprises EBITDA, investments (including cash effects from leasing) and changes in working capital, increased significantly in the fiscal year to € 553 million (2022: € 301 million). The adjusted business free cash flow rate amounted to 11.7 % of sales.

Net debt decreased by € 67 million compared to the reporting date of December 31, 2022, to € 2,166 million. The ratio of net debt including lease liabilities to EBITDA is 2.4. Including pension obligations and

² Excluding impairment of the associated company Swedencare

lease liabilities, net debt stood at € 2,666 million, which corresponds to a ratio of net debt (including lease liabilities and provisions for pensions and similar obligations) to EBITDA of 3.0.

The equity ratio of 47.0 % was slightly above the prior-year level (2022: 46.4 %). Symrise therefore has a very solid basis for the continuing sustained development of its business.

Taste, Nutrition & Health segment

The Taste, Nutrition & Health segment achieved organic sales growth of 9.3 %. Taking portfolio and currency translation effects into account, the segment's sales in the reporting currency amounted to € 2,978 million, an increase of 2.2 %. The positive portfolio effect from the acquisition of Wing Pet Food, Shanghai, China, was around € 20 million.

In the Food & Beverage division, the business units responsible for sweet and savory products and for beverage flavoring developed positively, achieving high single-digit and double-digit organic growth, respectively. Strong growth was recorded in the EAME (Europe, Africa, Middle East) and Latin America regions especially. The main growth drivers here were the markets of Western and Eastern Europe and Egypt, as well as Mexico and Brazil. The Naturals business unit further increased sales in the EAME and Asia/Pacific regions.

The Pet Food division also posted double-digit organic growth. Sales development was particularly dynamic in the Western and Eastern European markets, especially Poland and France, as well as in the USA, Mexico, Brazil and Southeast Asia. With the current expansion of production capacities and the joint venture with Fujian Sunner Development Co. Ltd. in China, Symrise has laid the foundation for the continued accelerated growth of the pet food business.

Sales by the Aqua Feed division also developed positively to deliver double-digit organic growth. Key growth impulses came from the EAME and Asia/Pacific regions, especially from the markets in Germany, Portugal, China and South Korea.

The probiotics business, which includes the majority interest in the listed company Probi AB, Lund, Sweden, was unable to maintain the level of the previous year and recorded a slight decline in sales. This was due to general market weakness, especially in North America. Sales development in EAME also saw a negative impact from the inventory reductions by individual major customers.

Adjusted EBITDA of the Taste, Nutrition & Health segment in the reporting year was € 627 million, which was slightly below the previous year's value (2022: € 631 million³). This was mainly attributable to the lack of the previous year's positive one-time effects from the sale of the Velcorin® business and the partial sale of the celery business and to higher operating costs. The adjusted EBITDA margin of 21.0 % failed to match the previous year's level (2022: 21.6 %³).

Scent & Care segment

In the 2023 fiscal year, the Scent & Care segment generated sales of € 1,752 million. Compared to the previous year, this represents an increase of 2.7 %. Excluding portfolio and currency translation effects, organic sales growth amounted to 5.6 %. The portfolio effects from the acquisitions of French companies Groupe Néroli and SFA Romani totaled around € 15 million.

³ Excluding impairment of the associated company Swedencare

The Fragrance division increased sales organically by a high single-digit percentage. The Fine Fragrances business unit continued its dynamic development, once again achieving double-digit percentage organic growth following a strong previous year. The recent acquisitions also contributed to the business unit's growth. The growth rates in the EAME, North America and Latin America regions were particularly pronounced. The Consumer Fragrances business unit posted good single-digit percentage growth. Here, too, the biggest gains were posted by the EAME and Latin America regions, followed by Asia/Pacific. The Oral Care business unit achieved low single-digit percentage organic growth, with good rates of increase in the Asia/Pacific region.

Sales development in the Aroma Molecules division was negatively impacted in particular by a difficult market environment and the production stoppage at Colonel Island, USA, following a fire in November 2022. Moreover, demand for fragrance ingredients and menthol was severely affected by customer-side inventory reductions and increasing competition. Overall, sales were significantly down on the previous year.

Sales by the Cosmetic Ingredients division continued to develop very positively, again posting double-digit percentage organic growth, especially in the EAME and Latin America regions. Sales also increased in North America and Asia/Pacific but by a smaller single-digit percentage. The strongest growth was posted by the sun protection business and the Micro Protection business unit.

In 2023, Scent & Care generated adjusted EBITDA of € 277 million, which was 4.9 % lower than in the previous year (2022: € 291 million), due especially to increased raw material prices and higher operating costs. The adjusted EBITDA margin was 15.8 % (2022: 17.1 %).

Future company development

For 2024, Symrise is reaffirming its long-term growth and profitability goals. The Group remains confident that it will continue to grow at a faster pace than the relevant market. The forecast long-term growth of the relevant market is around 3 % to 4 % worldwide. For the Group, expected long-term growth of 5 % to 7 % (CAGR) remains unchanged and is also anticipated to be achieved in 2024. The company aims to generate sales of € 5.5 billion to 6.0 billion by the end of 2025 and of € 7.5 billion to € 8.0 billion by 2028.

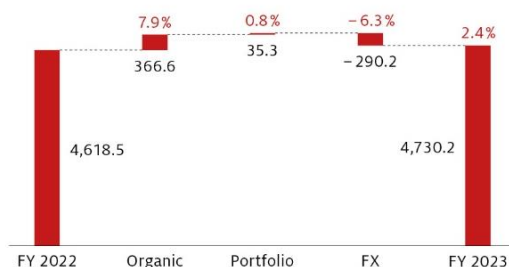
In order to increase profitability, Symrise has already implemented a number of measures, including an efficiency program with disciplined cost management in all areas of the company. Assuming that prices for raw materials remain largely stable, the Group expects an EBITDA margin for 2024 of around 20%. In the medium term, Symrise is seeking to maintain an EBITDA margin in the range between 20 % and 23%. For the Business Free Cashflow the company is planning a quota based on sales of around 12%. Midterm the quota should reach 14 %.

The Financial Report 2023 of Symrise AG can be accessed on the company's website at <https://www.symrise.com/investors/financial-results/>.

Financial Information FY 2023

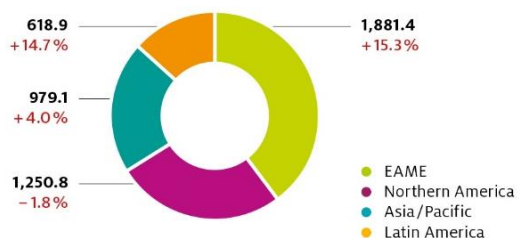
Symrise Group

Sales in € million



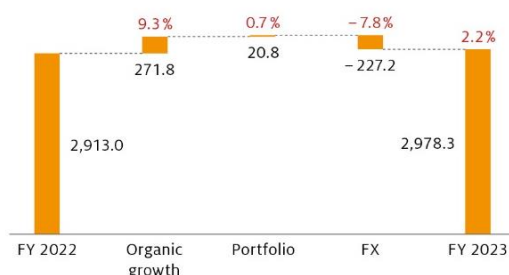
Sales by Region in € million

(Organic growth in %)



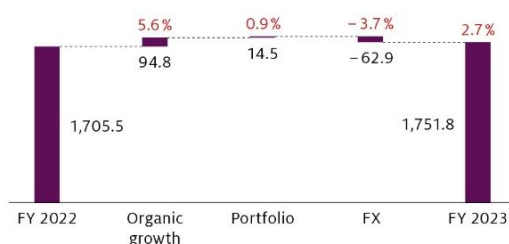
Taste, Nutrition & Health

Sales in € million



Scent & Care

Sales in € million



in € million	FY 2022 ²	FY 2023	FY 2023 adjusted ¹	Change in %
Gross profit	1,702.1	1,692.6	1,739.3	2.2
EBITDA	921.5	851.7	903.5	-2.0
EBITDA margin	in %	20.0	18.0	19.1
EBIT	630.1	559.4	611.2	-3.0
EBIT margin	in %	13.6	11.8	12.9
Depreciation	164.6	176.0		6.9
Amortization	126.8	116.3		-8.2
Financial result	-72.9	-94.4		29.6
Earnings before income taxes	557.2	464.9		-16.6
Net income ³	406.1	340.5		-16.2
Earnings per share ⁴	in €	2.91	2.44	-16.2
R&D expenses	254.5	265.7		4.4
Investments	270.1	270.0		-0.1
Business Free Cashflow in % of Sales	6.5	11.3	11.7	

Other Key Figures

	Dec 31, 2022 ²	Dec 31, 2023 ¹
Total assets	7,783.0	7,845.6
Equity	3,610.4	3,686.2
Equity ratio	in %	46.4
Net debt (incl. Provisions for pensions and similar obligations) ⁵	2,692.0	2,665.6
Net debt (incl. Provisions for pensions and similar obligations) ⁵ /EBITDA	ratio	2.9
Net debt ⁵	2,232.6	2,165.6
Net debt ⁵ /EBITDA	ratio	2.4
Employees (balance sheet day)	FTE ⁶	12,043

1 adjusted for one-time effects

2 excluding impairment of the associated company Swedencare

3 attributable to shareholders of Symrise AG

4 undiluted

5 including lease obligations

6 not including apprentices and trainees; FTE = full-time equivalent

always
inspiring more...



Media contact:

Bernhard Kott

Tel.: +49 (0)5531 90-1721

Email: bernhard.kott@symrise.com

Social media:

twitter.com/symriseag

youtube.com/agsymrise

instagram.com/symriseag

instagram.com/symrise.ci

Investor contact:

Tobias Erfurth

Tel.: +49 (0)5531 90-1879

Email: tobias.erfurth@symrise.com

linkedin.com/company/symrise

xing.com/companies/symrise

instagram.com/finefragrancelstories_bySymrise

Blog: <https://alwaysinspiringmore.com>

About Symrise: Symrise is a global supplier of fragrances, flavorings, cosmetic active ingredients and raw materials, as well as functional ingredients. Its clients include manufacturers of perfumes, cosmetics, food and beverages, the pharmaceutical industry and producers of nutritional supplements and pet food. Its sales of approximately €4.7 billion in the 2023 fiscal year make Symrise a leading global provider. Headquartered in Holzminden, Germany, the Group is represented in more than 100 locations in Europe, Africa, the Middle East, Asia, the United States and Latin America. Symrise works with its clients to develop new ideas and market-ready concepts for products that form an indispensable part of everyday life. Economic success and corporate responsibility are inextricably linked as part of this process. Symrise – always inspiring more...

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