

Press release

Holzminden, 1 March 2022

Symrise achieves strong sales and earnings growth with high profitability in fiscal year 2021

- Group sales in reporting currency up by 8.7 % to € 3,826 million
 - Organic growth of 9.6 % achieved
 - EBITDA increase of 9.6 % to € 814 million
 - Sustained high level of profitability with an EBITDA margin of 21.3 %
 - Dividend increase proposed from € 0.97 to € 1.02 per share
 - Outlook for 2022: Sales growth of 5-7 % and EBITDA margin of around 21 % targeted
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Symrise AG outstandingly capitalized on the economic recovery in 2021 and successfully continued the profitable growth course. The Group once again significantly increased sales and earnings. Symrise grew Group sales in reporting currency by 8.7 % to € 3,826 million (2020: € 3,520 million). Without taking into account portfolio and currency effects, organic growth amounted to 9.6 %. Earnings before interest, taxes, depreciation and amortization (EBITDA) at € 814 million were significantly above the prior-year figure of € 742 million. The Group maintained profitability at a high level with an EBITDA margin of 21.3 % (2020: 21.1 %). Against the backdrop of the positive development, the Executive Board and the Supervisory Board of Symrise AG propose a dividend increase for the 12th year in succession. Shareholders are to participate in the success of the company with a dividend of € 1.02 for the fiscal year 2021.

“2021 was a successful year all round for Symrise. We made good use of the tailwind generated by the global economic recovery and we aligned our sails accordingly. As a consequence, we very successfully continued our course of profitable growth. Additionally, we were also able to realize trailblazing purchases and investments. This allowed us to strategically diversify our know-how and our portfolio, further increase our appeal to customers and differentiate our profile in the market. Since September, Symrise has also been a member of the DAX, Germany’s leading index. As a result, our share has continued to gain a higher profile and enhanced appeal, particularly on the international capital markets. Part of our capital market philosophy is for our shareholders to participate in the successful development of Symrise AG. The Executive Board and Supervisory Board therefore propose the twelfth dividend increase in succession in the amount of € 1.02 for the year 2021,” said Dr. Heinz Jürgen Bertram, CEO of Symrise AG. “For the current fiscal year, we confirm our long-term target to achieve an average increase in sales of between 5 and 7 % (CAGR) and to exceed market growth. Furthermore, we are once again targeting high profitability for 2022 with an EBITDA margin of around 21 %, in spite of the increasing raw materials costs and energy prices.”

Economic recovery drives demand and leads to strong sales growth

The impacts of the coronavirus pandemic significantly diminished in large parts of the world over the course of the year. The behavior of consumers normalized and demand surged. Symrise increased sales in reporting currency by 8.7 % to € 3,826 million (2020: € 3,520 million). Organic sales growth

amounted to 9.6 %. Symrise not only exceeded the average growth of the relevant market but also the most recent sales forecast issued in November 2021 of around 9 %. Regarding the regions, Latin America once again recorded the strongest organic growth of 13.5 %, followed by Asia/Pacific with 10.3 %. The regions EAME and North America also delivered very good growth with 8.8 % and 8.5 % respectively.

Significant increase in EBITDA and net income

In fiscal year 2021, Symrise increased earnings before interest, taxes, depreciation and amortization (EBITDA) to an outstanding € 814 million. The Company exceeded the prior-year level by 9.6 % (2020: € 742 million) in spite of the increased raw materials costs and costs of strategic growth initiatives amounting to € 174 million.

The group-wide EBITDA margin rose in the second year of the pandemic to 21.3 % and therefore exceeded the prior-year level (2020: 21.1 %).

Symrise increased net income by € 68 million to € 375 million (2020: € 307 million). Earnings per share rose to € 2.74 (2020: € 2.27). In view of this positive development, the Executive Board and the Supervisory Board will propose to the annual general meeting on 3 May 2022 a dividend increase to € 1.02 per share for the fiscal year 2021 (2020: € 0.97).

Net debt with 2.4 in targeted margin range

As of 31 December 2021, net debt including pension and leasing liabilities decreased to € 1,964 million (2020: € 2,029 million). This corresponds to a ratio of net debt to EBITDA of 2.4.

The business free cash flow amounted to € 486 million (2020: € 564 million). In spite of the increase in earnings, it was defined above all by higher investments, an increase in inventories (strategic stockpiling in order to mitigate the risks due to delays in international supply chains) and a high level of trade receivables as a consequence of the strong growth in sales.

In a year-on-year comparison, the equity ratio rose from 39.8 % to 49.0 %. Symrise thus has a very solid foundation for continued sustainable growth of its business in the future.

Taste, Nutrition & Health segment

In April 2021, Symrise merged the former two segments Flavor and Nutrition into a new segment and renamed it Taste, Nutrition & Health to reflect the purposefully implemented portfolio expansion. It is intended to align the expanded activities even more closely with customer needs and hence make know-how, technologies and product knowledge a shared asset. Over the course of the year, Symrise strengthened the activities through the acquisition of the Canadian manufacturer Giraffe Foods and invested in a stake of the Swedish animal health company Swedencare. The core business no longer includes the food color application areas which have been sold to Oterra as well as the Drinkstar Velcorin activities. The distribution model with Lanxess was terminated effective 1 January 2022.

Taste, Nutrition & Health increased sales by 8.5 % to € 2,335 million (2020: € 2,151 million). Organic growth even amounted to 10.6 %. The change in behavior in out-of-home leisure activities and the

increasing trend of on-the-go consumption resulted in a particular high demand for beverage applications. Furthermore, the segment benefited from very dynamic growth rates in the Pet Food segment.

Taste, Nutrition & Health increased EBITDA to € 531 million (2020: € 471 million). The EBITDA margin at 22.7 % was at an outstanding level and significantly exceeded the prior-year value (2020: 21.9 %).

Scent & Care segment

The Scent & Care segment increased sales in the fiscal year 2021 by 8.9 % to € 1,491 million (2020: € 1,369 million). This takes into account a portfolio effect of € 40.9 million arising from the takeover of the fragrance business from US-based company Sensient. Without portfolio and currency effects, the segment achieved organic sales growth of 7.9 %.

The increase in travel activities led to a strong recovery in demand in the Fine Fragrances and Cosmetic Ingredients divisions, which even posted single-digit and double-digit percentage growth respectively. Activities of the Aroma Molecules division benefited from strong demand for applications with menthol and also underwent double-digit growth. Consumer Fragrance and Oral Care increased their sales in comparison with the exceptionally high prior-year single-digit percentage growth.

Scent & Care increased EBITDA by 4.1 % to € 283 million (2020: € 272 million). The EBITDA margin amounted to 19.0 % (2020: 19.8 %).

Symrise confirms long-term growth and profitability targets

According to experts estimates, the global economy will slow down slightly in the current fiscal year after the strong recovery in 2021. Symrise is excellently positioned with its robust business model, the diversified application portfolio and its broadly based regional presence and customer base. The Company therefore confirms its long-term growth and profitability goals. Symrise continues to target above market growth and increase average annual sales by 5 to 7 % (CAGR). This objective also applies to the current financial year 2022, in spite of increasing raw material costs.

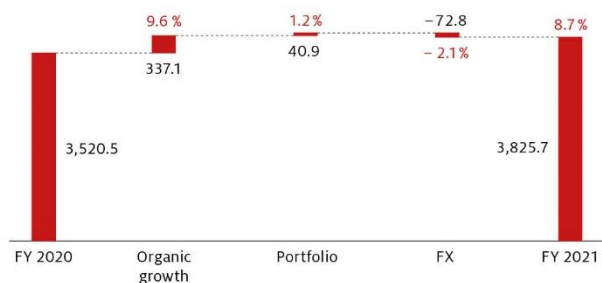
Symrise is committed to organic and inorganic growth, which includes the acquisition of the Dutch company Schaffelaarbos in January 2022 and the Chinese Wing Pet Food in February 2022. Furthermore, Symrise will maintain strict cost consciousness and continue the holistic sustainability management in all its divisions.

Profitability is projected to remain at a high level in 2022 with an EBITDA margin of around 21 %. Over the medium term until the end of fiscal year 2025, Symrise has a target of achieving an EBITDA margin in the corridor of 20 to 23 %.

Financial Information FY 2021

Symrise Group

Sales in € million



in € million	FY 2020	FY 2021	Change in %
Gross profit	1,390.5	1,478.8	6.4
EBITDA	742.1	813.6	9.6
EBITDA margin	in %	21.1	21.3
EBIT	487.5	559.0	14.7
EBIT margin	in %	13.8	14.6
Depreciation	136.7	140.5	2.8
Amortization	117.9	114.1	-3.2
Financial result	-64.0	-42.8	-33.1
Earnings before income taxes	423.6	516.2	21.9
Net income ¹	306.9	374.9	22.2
Earnings per share ²	in €	2.27	2.74
R&D expenses	212.3	220.7	4.0
Investments	158.5	173.7	9.6
Business Free Cashflow			
in % of Sales	16.0	12.7	

Sales by Region in € million

(Organic growth in %)



Other Key Figures	Dec 31 2020	Dec 31 2021
Total assets	5,939.8	6,642.7
Equity	2,361.7	3,252.3
Equity ratio	in %	39.8
Net debt (incl. Provisions for pensions and similar obligations) ³	2,028.8	1,964.1
Net debt (incl. Provisions for pensions and similar obligations) ³ /EBITDA ⁴	ratio	2.7
Net debt ³	1,347.6	1,346.9
Net debt ³ /EBITDA ⁴	ratio	1.8
Employees (balance sheet day)	FTE ⁵	10,531
		11,151

Taste, Nutrition & Health

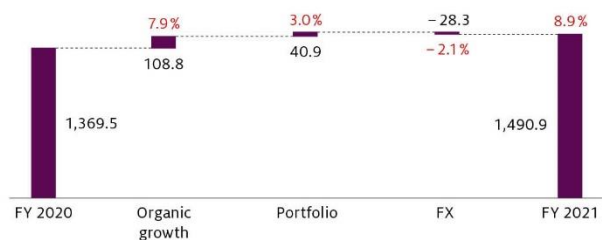
Sales in € million



in € million	FY 2020	FY 2021	Change in %
EBITDA	470.6	531.1	12.9
EBITDA margin	in %	21.9	22.7
EBIT	294.7	357.9	21.4
EBIT margin	in %	13.7	15.3

Scent & Care

Sales in € million



in € million	FY 2020	FY 2021	Change in %
EBITDA	271.5	282.6	4.1
EBITDA margin	in %	19.8	19.0
EBIT	192.8	201.1	4.3
EBIT margin	in %	14.1	13.5

Number of shares from 21 September 2021 onwards 139,772,054; weighted average full year 2021 at 136,633,677

1 attributable to shareholders of Symrise AG

2 undiluted

3 including lease obligations

4 annualized EBITDA

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

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About Symrise: Symrise is a global supplier of fragrances, flavors, food, nutrition and cosmetic ingredients. Its clients include manufacturers of perfumes, cosmetics, food and beverages, pharmaceuticals and producers of nutritional supplements and pet food. Its sales of € 3.5 billion in the 2020 fiscal year make Symrise a leading global provider. Headquartered in Holzminden, Germany, the Group is represented by 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 integral part of everyday life. Economic success and corporate responsibility are inextricably linked as part of this process. Symrise – always inspiring more ...

www.symrise.com

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