

Results for the *Financial Year 2023*

*Dr. Heinz-Jürgen Bertram (CEO),
Olaf Klinger (CFO)*

6 March 2024

symrise 



Agenda

Overview



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01

2023 at a Glance

Financial highlights FY 2023

Strong growth with slightly lower profitability



Sales

€4,730bn

+7.9 % organic growth
+2.4 % in reporting currency

Business Free Cash Flow^{1 2}

€553m

11.7% of sales

Dividend proposal

€1.10

per share

Adjusted EBITDA margin²

19.1%

EBITDA² €903m, -2.0 % vs. FY 2022³

Net Income⁴

€340m

-16.2% vs. FY 2022³

Earnings per share €2.44

Capex

€270m

5.7 % of sales

¹ Business Free Cash Flow = EBITDA – CapEx (including cash effects from leasing) +/- changes in Working Capital

² Adjusted for one-time effects

³ Without impairment of the associated company Swedencare (€126m)

⁴ Attributable to shareholders of Symrise AG

Sales 2023

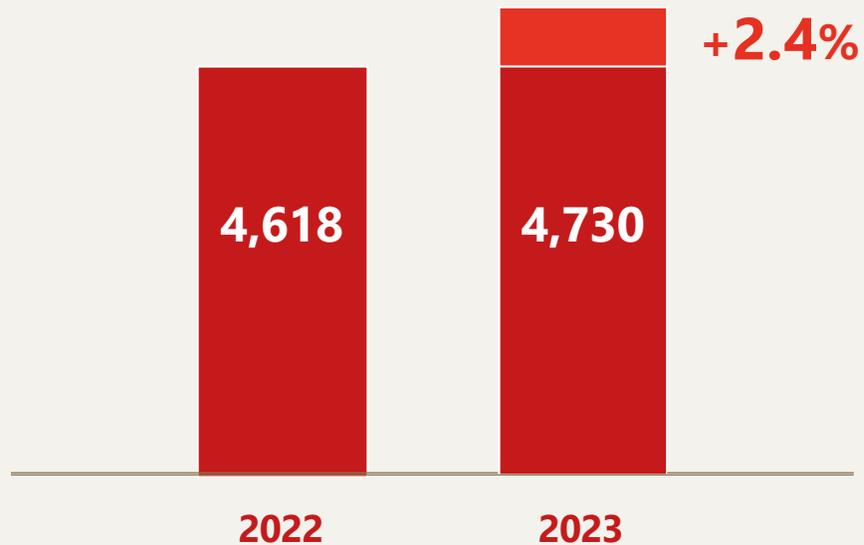
Industry leading organic growth



Symrise Group

In €m (sales growth in %)

+7.9%
organic growth



+7.9%

organic sales growth
through diversified portfolio



+2.4%

sales growth in reporting currency
negative FX-effect of €290m



+ €35m

sales contribution from Portfolio effects
(M&A)

Sales by Segment 2023

Both Segments enjoy strong organic growth



+9.3%

+2.2 %*

Growth driven by
Food & Beverages and Pet Food.



+5.6%

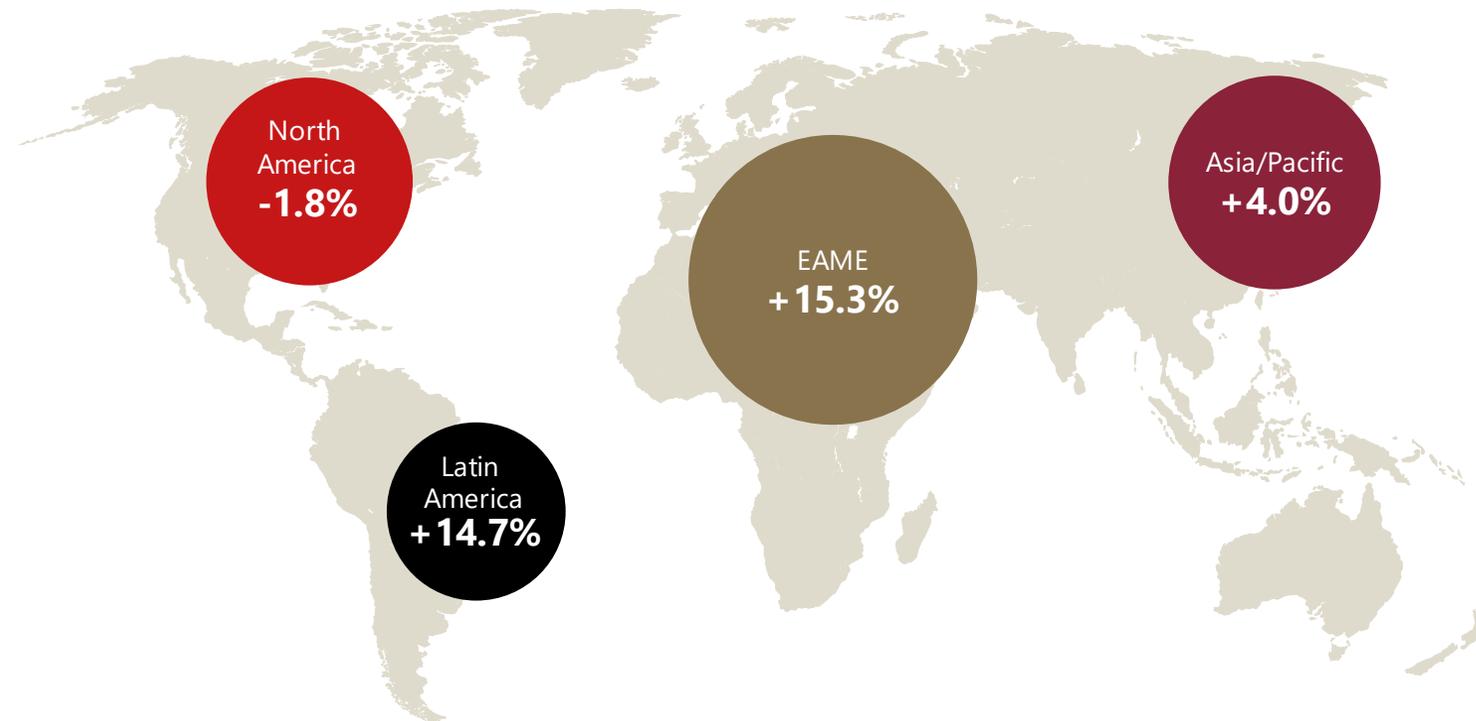
+2.7 %*

Fine Fragrances and Cosmetic Ingredients
with continued growth momentum.

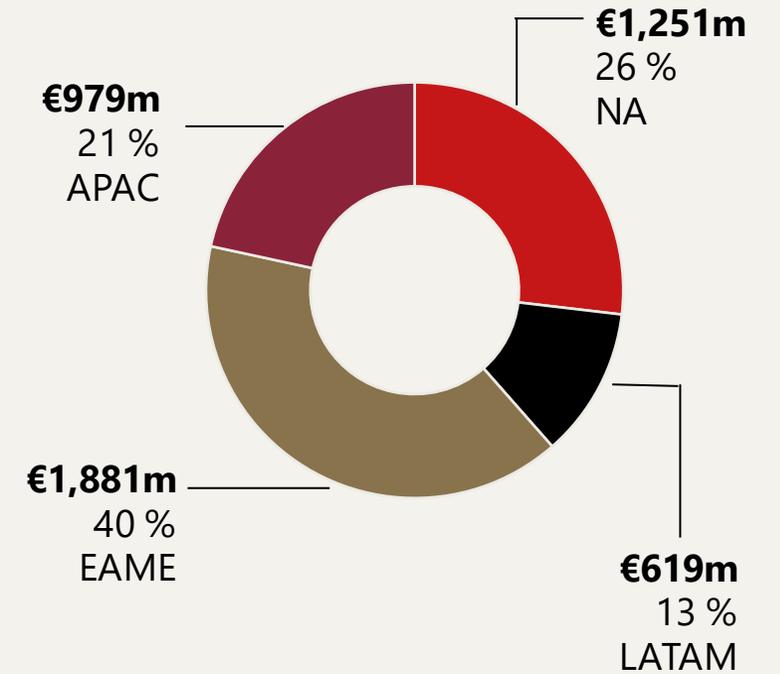
Sales by region in 2023

Double-digit organic growth in Latin America and EAME / North America slightly below last year

Organic growth by region in %



Sales by region % of global sales



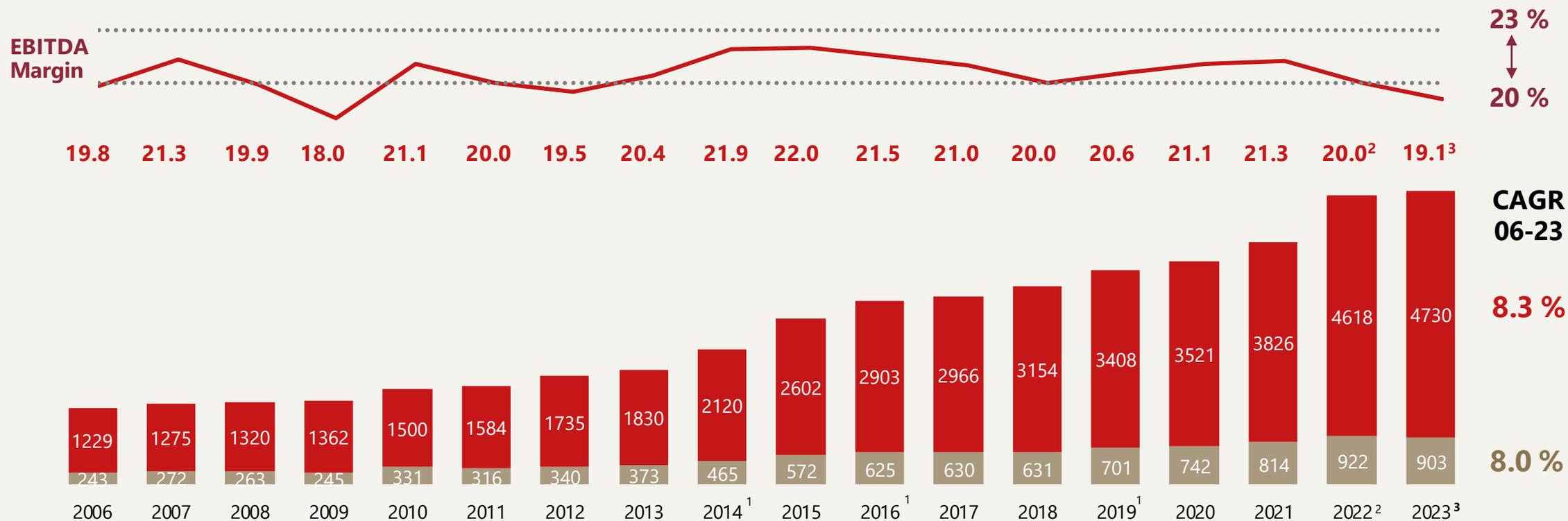
Sales and EBITDA

Strong track record: High CAGR for top and bottom line



Development of sales / EBITDA

Sales and EBITDA in €m, margin in %



¹ Adjusted for transaction and integration costs as well as one-off valuation effects related to business combinations. 2016 and 2019 restated for finalized purchase price allocations.

² Without impairment of the associated company Swedencare (€126m)

³ Normalized for one-time effects



Share price performance since 2006

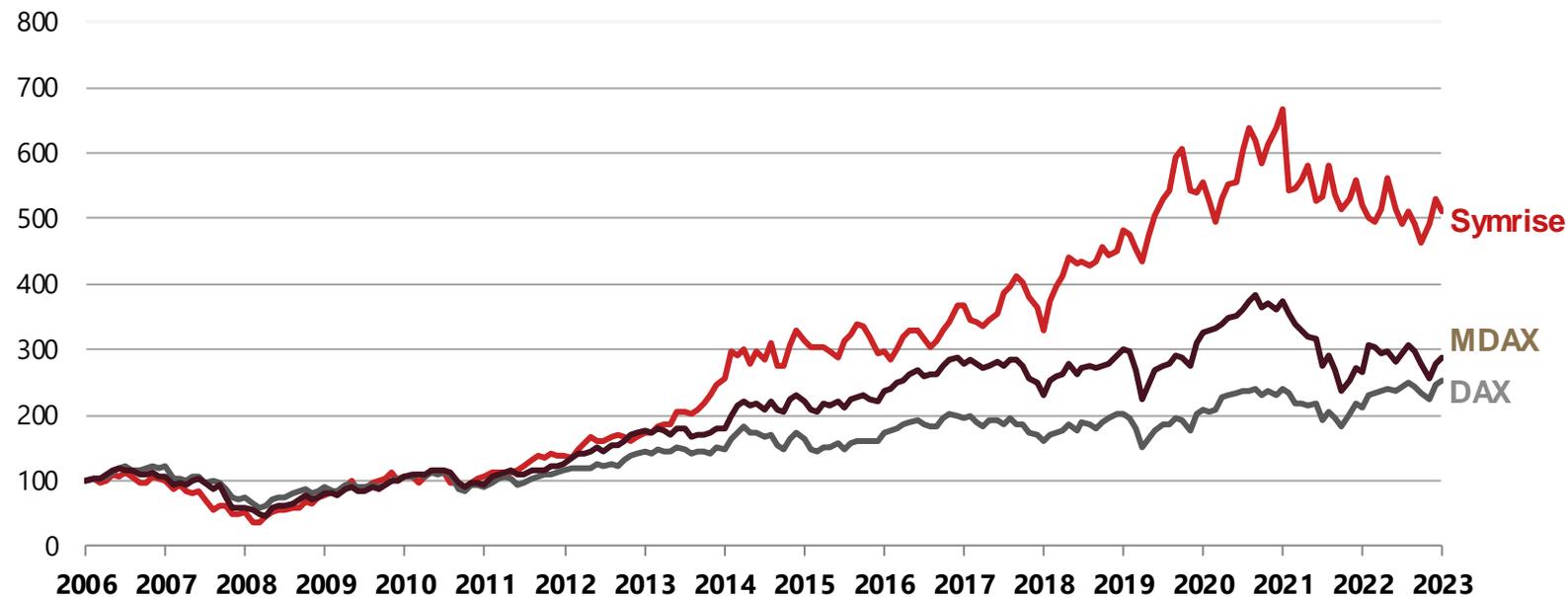
Fourteen consecutive dividend increase and long-term value creation

Dividend 2007 – 2023

Per share in € cents



Share price development vs. DAX and MDAX 2006 – 2023



After 14 successful years in the MDAX,
Symrise joined the DAX
in September 2021

Strong value creation
against major indices

Attractive dividend proposal
€1.10 per share for 2023



02

2023 Financials

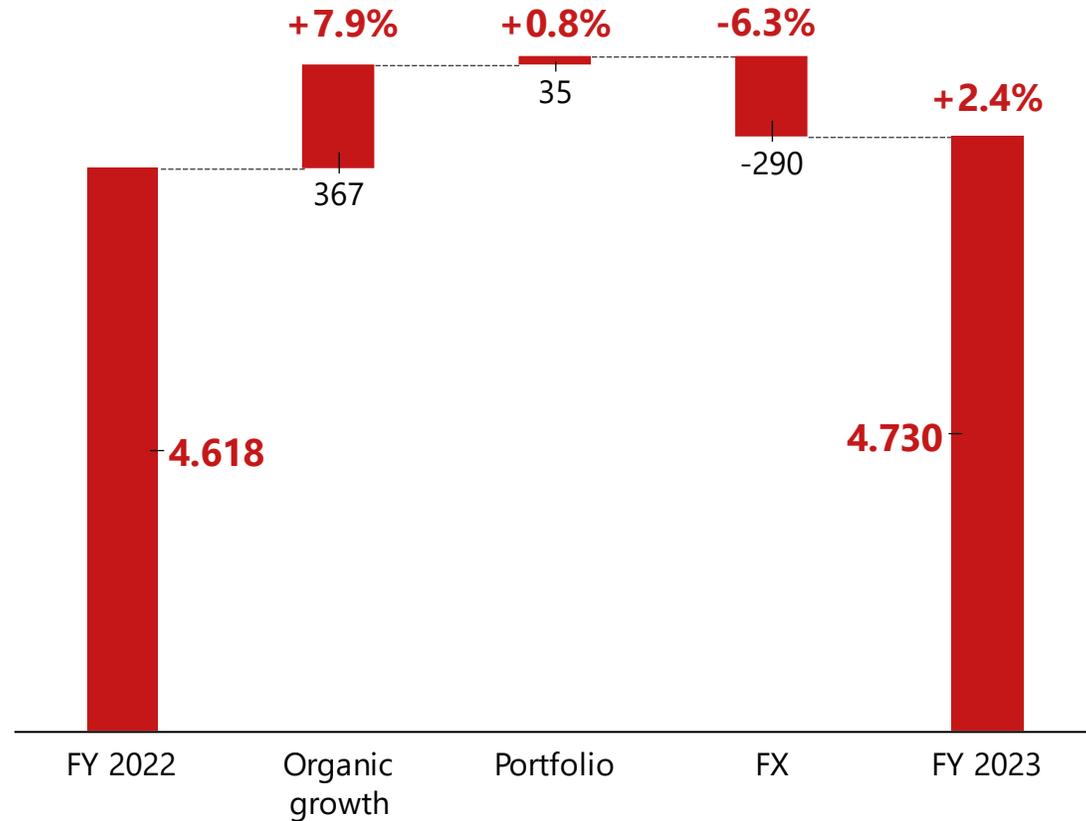
Group 2023

Organic growth of 7.9% (reported 2.4%)



Sales development

In €m



Organic growth of 7.9 % or €367m driven by strong business in both segments.

Total sales contribution from portfolio effects (M&A) of €35m:

- Wing Biotechnology (China)
- Groupe Néroli & Romani (France)

Negative currency effects of €290m, attributable to multiple currencies.

Group 2023

Profitability impacted by difficult market conditions



in € million	FY 2022 ¹	FY 2023	FY 2023 adjusted ²	Change in %
Sales	4,618	4,730	4,730	2.4
Gross profit	1,702	1,693	1,739	2.2
Gross profit margin in %	36.9	35.8	36.8	-0.1pp
EBITDA	922	852	903	-2.0
EBITDA margin in %	20.0	18.0	19.1	-0.9pp
Depreciation	165	176	176	6.9
Amortization	127	116	116	-8.2
EBIT	630	559	611	-3.0
EBIT margin in %	13.6	11.8	12.9	-0.7pp

¹ Without impairment of the associated company Swedencare (€126m)

² Adjusted for one-time effects (€52m)

Pressure on margin: The cost of goods sold increased slightly faster than sales, which was attributable to higher raw material and manufacturing costs.

Single months of **November** and **December** delivered significant lower operating results, due mainly to revaluation and provisions for inventory, underutilization and downtime, higher SG&A costs and the devaluation of the Argentinian currency.

In addition, **Scent & Care** was affected by **one-time effects** mainly in connection with the fire related downtime of the Colonel Island site.

Adjusted EBITDA margin² decreased to 19.1 %, which is 0.9 pp below previous year's EBITDA margin¹.

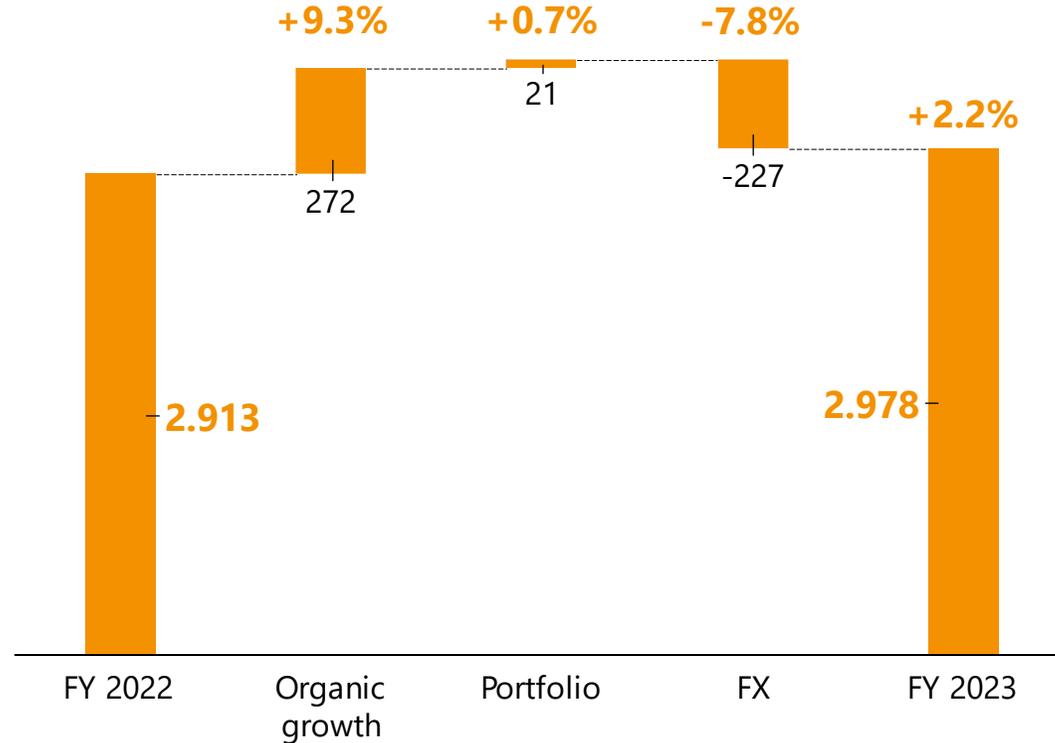
Taste, Nutrition & Health 2023

Healthy growth and solid profitability



Sales development

In €m



Short P&L

In €m

€ million	FY 2022 ²	FY 2023	FY 2023 adjusted ¹	Change in %
EBITDA	630.5	629.2	626.8	-0.6
EBITDA margin	in % 21.6	21.1	21.0	-
EBIT	430.2	428.8	426.4	-0.9
EBIT margin	in % 14.8	14.4	14.3	-

Organic growth of 9.3 % resulting from both divisions.

- **Food & Beverage** developed very positively with high single digit growth, driven by Savory, Sweet and Beverages.
- The **Pet Food** division continued its double-digit growth. Portfolio effect coming from acquisition of Wing Biotechnology.

Adjusted EBITDA margin decreased to 21.0 %¹ (2022: 21.6 %²).

¹ Adjusted for income from an insurance reimbursement for a cybersecurity incident in 2020 of €2.4m

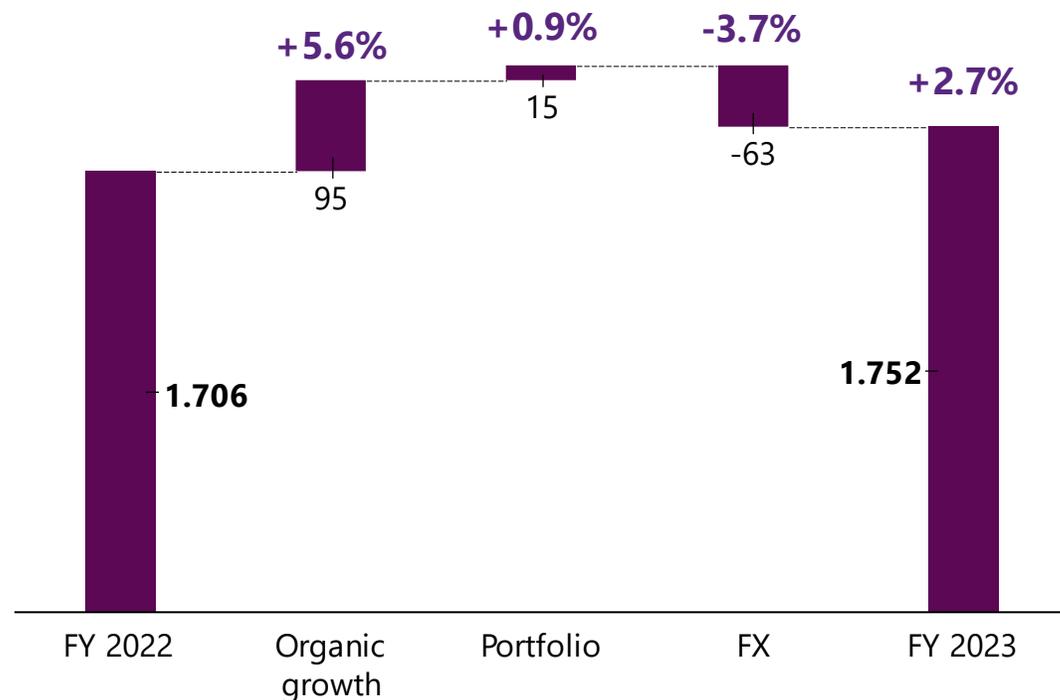
² Without impairment of the associated company Swedencare (€126m)

Scent & Care 2023

Robust Fragrances and Cosmetic ingredients could not offset softness in Aroma Molecules

Sales development

In €m



Short P&L

In €m

€ million	FY 2022	FY 2023	FY 2023 adjusted ¹	Change in %
EBITDA	291.0	222.4	276.7	-4.9
EBITDA margin	in % 17.1	12.7	15.8	
EBIT	199.9	130.6	184.8	-7.6
EBIT margin	in % 11.7	7.5	10.5	

Organic growth of 5.6 % dampened by Aroma Molecules

- **Fragrances** enjoyed high single-digit growth with double-digit growth in Fine Fragrances and good single-digit growth in Consumer Fragrance. Neroli & Romani contributed € 14.5m.
- **Aroma Molecules** sales were negatively impacted by the fire-related production stoppage at Colonel Island and a difficult market environment.
- **Cosmetic Ingredients** posted high double-digit growth driven by strong demand in micro & sun protection.

Adjusted EBITDA margin amounts to 15.8 % (2022: 17.1 %) due especially to increased raw material prices and higher operating costs.

¹ Adjusted for one-time effects in connection with the production stoppage at the Colonels Island site, the reorganization following the segments' realignment and cost associated with the antitrust investigations and for income from an insurance reimbursement for a cybersecurity incident in 2020 (total one-time effects in 2023: €54.2m)

EPS

Impacted by weaker operating results



in € million	FY 2022 ¹	FY 2023 ²	Change in %
EBIT	630	559	-11.3
Financial Result	-73	-94	29.6
EBT	557	465	-16.6
Income Tax	-140 (25.2%)	-120 (25.8%)	-14.5
Net Income³	406	340	-16.2
EPS in €	2.91	2.44	-16.2

Financial result: €22m below 2022, mainly due to interest expenses in connection with financing (€19m) and interest on pension provisions (€16m). Currency result of €11m was significantly higher than in PY.

Income tax: rate at 25.8 % within the tax guidance of 25-27 %.

Net income: €66m below previous year mainly due to negative one-time effects.

EPS: decreased by 16.2 % to €2.44 per share.

¹ Without impairment of the associated company Swedencare (€126m)

² Reported

³ Attributable to shareholders of Symrise AG

Amortization from business combinations...

...currently impacts EPS with more than 70 cents/share

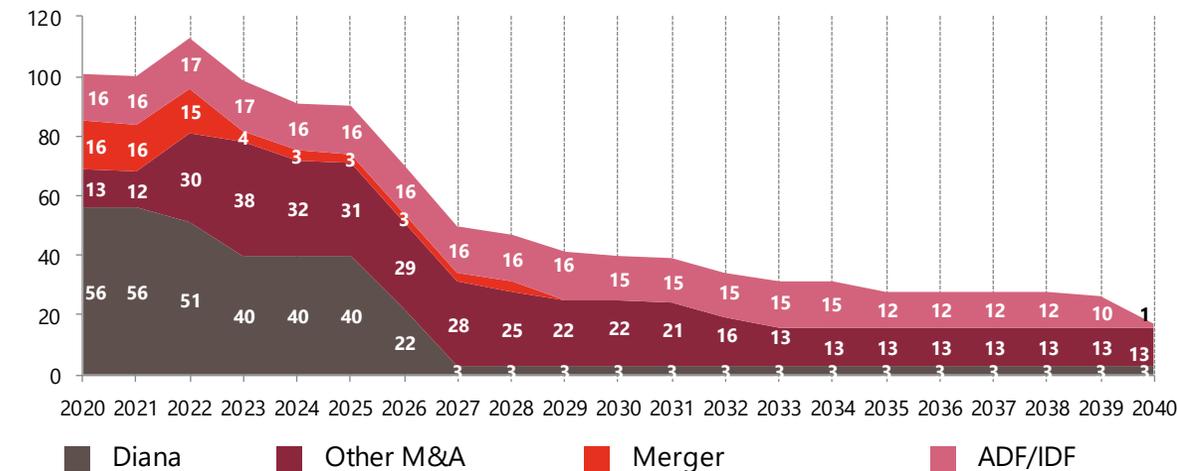


Huge **bandwidth in EPS projection** from analysts: (Vara Research Feb 6, 2024)

€	2024	2025	2026
Highest	3.49	4.15	4.64
Consensus	3.27	3.76	4.34
Median	3.24	3.74	4.33
Lowest	3.06	3.46	4.01

Amortization*

in €m



*Only M&A-related amortization (without software or internally generated intangible assets).

Main drivers

Merger of Haarmann & Reimer and Dragoco in 2003: Recipes

Acquisition of Diana in 2014: Brands, customer base and recipes

Acquisition of ADF/IDF in 2019: Customer base, supplier relationships, trademarks

Status

We saw a **peak in 2022**

Outlook

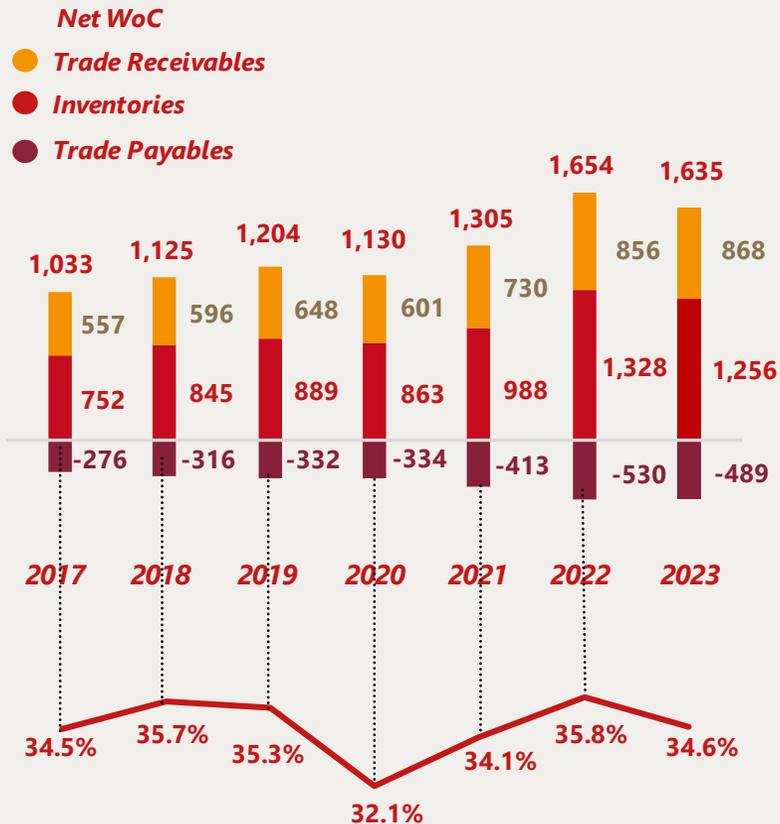
Further EPS support expected over time

Working Capital

Clearly defined actions and measures to reach the mid-term target of 30-32 %



WoC absolute & as % of Sales



Drivers

2019

- Slight improvement due to ADF/IDF Acquisition

2020

- Full year effect from ADF/IDF Acquisition
- Positive impact from cyber attack, less receivables, higher payables

2021

- Reverse impact from cyber attack
- Full impact of global supply chain disruptions following the Corona crises
- Acquisition of Sensient Fragrances and Giraffe

2022

- Ukraine/Russia war (shortages, high prices)
- General inflationary developments
- Year of acquisitions (Schaffelaarbos, Néroli & Romani, Wing Biotechnology and increased stake in Swedencare)

2023

- Decrease in inventories due to reinforced Working Capital management

Measures:

- **Reinforced** focused Working Capital management in **both segments**
- **Reduction of safety stocks** after normalization of global supply chain disruptions
- **Tightened** management of **payment terms**
- Increased focus on **reducing overdue**
- **Special situation in S&C** after fire in Colonel Island **will further normalize**

Ambition

30 – 32%

2025

as % of sales

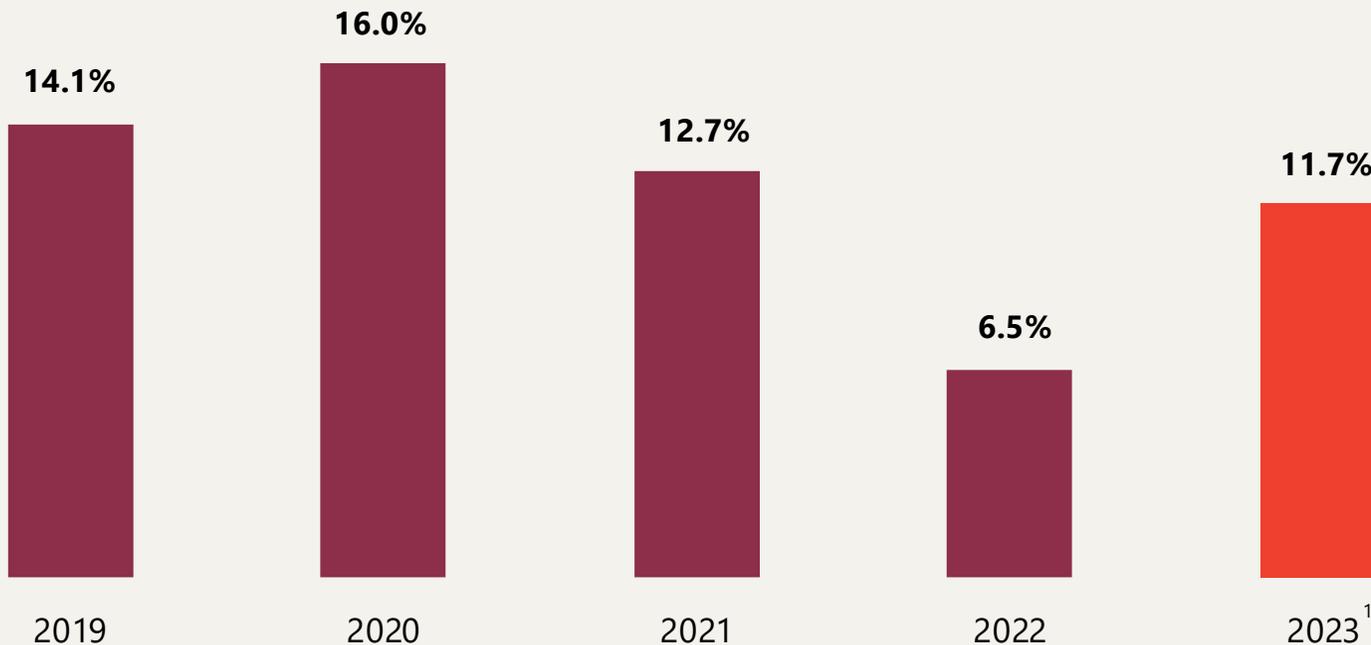
Business Free Cash Flow (BFCF)

Reflects significant improvement of working capital



BFCF

as % of sales



EBITDA (adjusted)

- Investments (including cash effects from leasing)

-/+ Changes in working capital

= Business Free Cash Flow

BFCF¹ of €553 million (2022: €301m)

= **11.7 %** (2022: 6.5%) **of sales**

Solid EBITDA contribution

CAPEX almost stable at 5.7 % of sales (€270 million) after 5.8 % (€270 million) in 2022

Significant improvement of working capital supported by improved inventory management

Ambition 2024

BFCF around 12 % of sales; mid term target of 14%

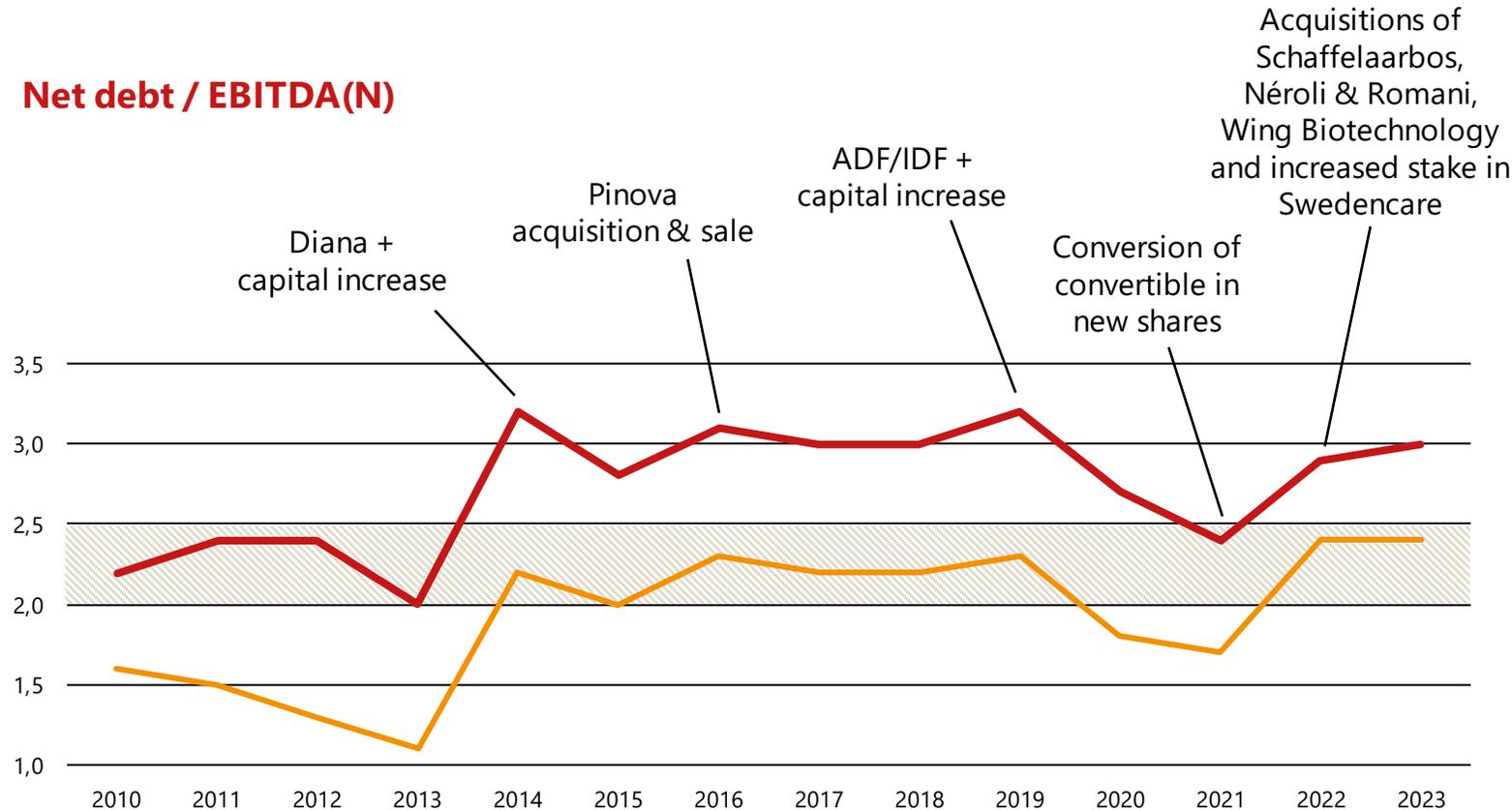
¹ Adjusted for one-time effects: €19.2m affecting the BFCF

Net debt development

Increase due to weaker earnings and still high level of working capital



Net debt / EBITDA(N)



■ Net debt (incl. pension provisions and leasing obligations) / EBITDA ratio

■ Net debt/EBITDA ratio

Status Quo

Net debt of €2,166m (2022: €2,233m) reflects 2.4 x EBITDA¹.

Net debt including pension provisions and leasing obligation of €2,666m reflects 3.0 x EBITDA¹.

This is mainly due to a weaker earnings performance and the still high working capital to ensure supply availability.

Ambition

Long-term target of 2.0 to 2.5 x EBITDA (incl. pensions provisions and leasing obligation).

Unchanged since IPO.

Priority: Remain investment grade profile.

¹ EBITDA: adjusted for one-time effects

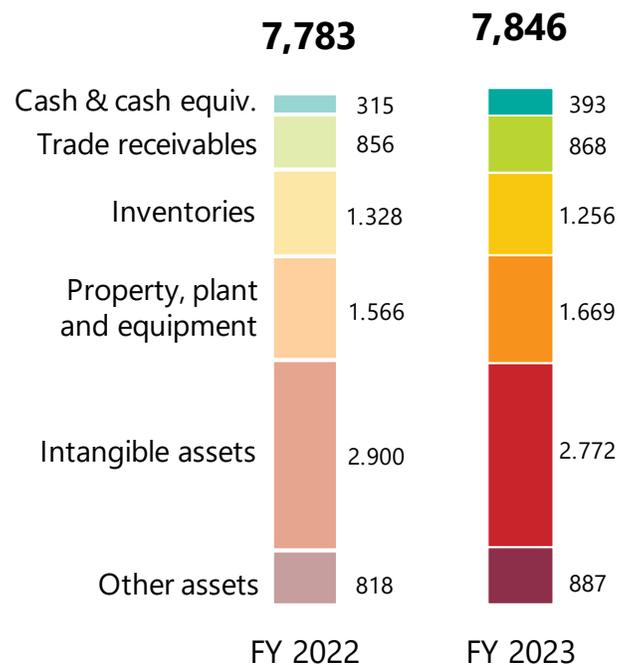
Balance sheet

Equity ratio of 47.0 %



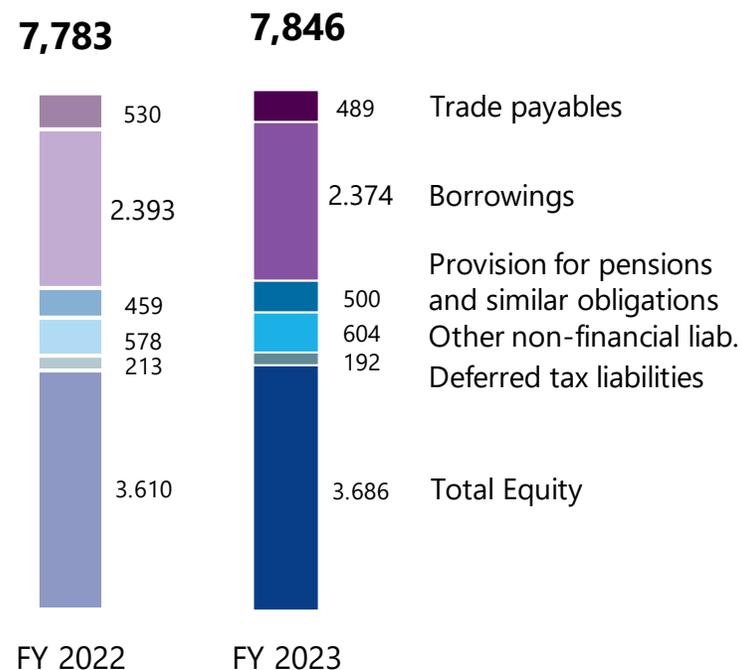
Assets

In €m



Equity and Liabilities

In €m



Comments

Increase in **assets** primarily from higher PPE. The increase in cash & cash equivalents is offset by lower inventories.

Changes to **equity and liabilities** mainly resulted from trade payables, pensions and equity.

Equity ratio at a healthy level of 47.0 % (2022: 46.4%).

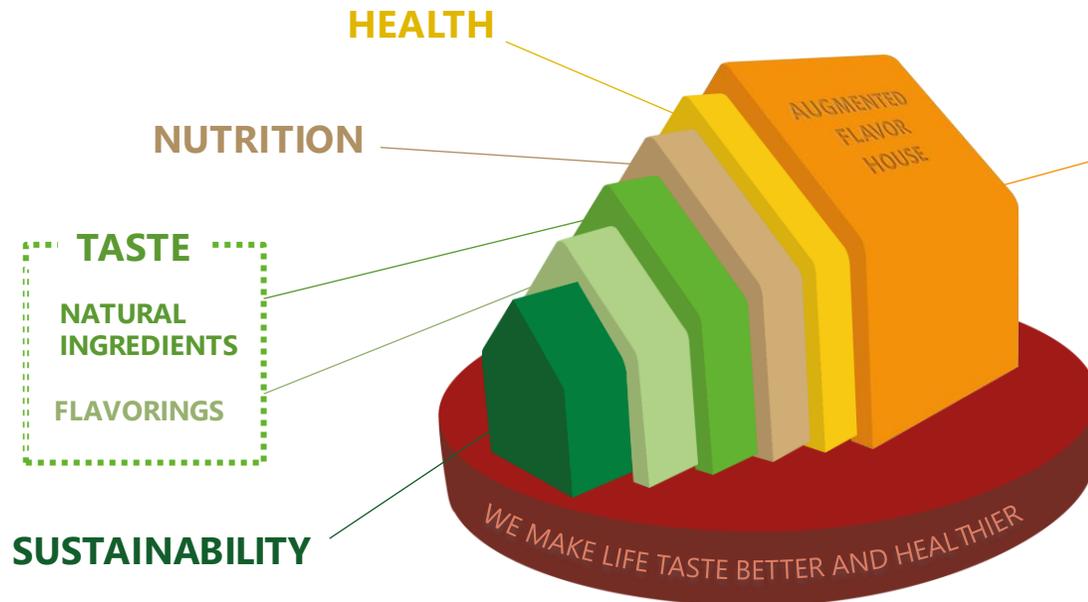


03

Strategic Initiatives / Outlook

Taste, Nutrition & Health: A powerful Augmented Flavor House

Expanding our horizon beyond the traditional way



A powerful
Augmented Flavor House
combining 3 expertise in
Taste, *Nutrition* and *Health*.

A unique and sustainable global
leader in Food & Beverage
and Pet Food markets

Our Augmented Flavor House, beyond taste and nutrition

Always improve our efficiency and increase our uniqueness



Our Augmented Flavor House

FOOD & BEVERAGE

Portfolio optimization

Symrise selling 51 % of its UK fruit juice trading business. Partnering through a Joint Venture with Th. Geyer. Annual sales €40m.

Th. Geyer is longstanding distribution partner for Taste, Nutrition & Health.

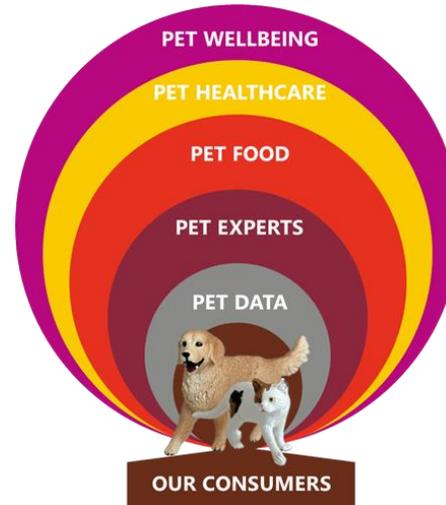
Divestment is a result of our constant portfolio review concerning growth and profitability expectations of product lines.



PET FOOD

Strengthening capabilities

Building a strong eco-system around pets. Mastering the full value stream by adding competencies and expert knowledge to our own innovation capabilities.



HEALTH ACTIVE

Building a health platform

Focus on natural solutions, responsibly sourced with scientific proven health benefits for humans and pets.

Dedicated teams working cross-divisional and interdisciplinary to bundle know-how and to identify need.



Healthy Aging



Gut Health



Metabolic Health



Scent & Care: Market leading positions in all application areas

Strong foundation for continued profitable growth



FRAGRANCES

AROMA MOLECULES

COSMETIC INGREDIENTS

Joint manufacturing platform through backward integration



Market position

#1 Position in Oral Care

Market position

#1 Position in Musk

#2 Position in Terpenes

#1 Position in Menthol

Market position

#1 Position in Micro Protection

#2 Position in Sun Protection

#2 Position in Actives

Scent & Care: Strategic Initiatives to accelerate growth

Focus on markets, portfolio and capacities



FRAGRANCES

Strong focus towards Fine Fragrances: Opening of Jardin Arabia – the new Fine Fragrance creation hub in Dubai.

Fragrances inaugurates Red House:

New creation hub in Shanghai Strengthen Fine Fragrance expertise.

Introducing luxury De Laire bases in China.

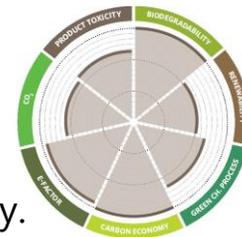


AROMA MOLECULES

Strengthening Symrise specialties business: Further investments, in our manufacturing site in Granada with focus on specialty business.



Introducing the Green Chemistry Score: A comprehensive evaluation system based on the 12 Principles of Green Chemistry.

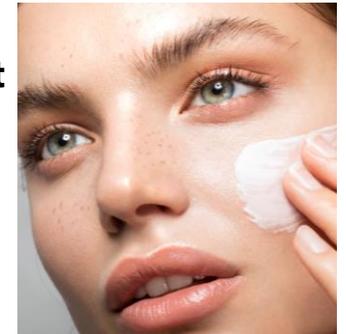


COSMETIC INGREDIENTS

Symrise expands strategic partnership with Kobo Products Inc: Increased stake in the US company Kobo Products Inc. to 49 %. Partnership in mineral UV filters and decorative cosmetics.

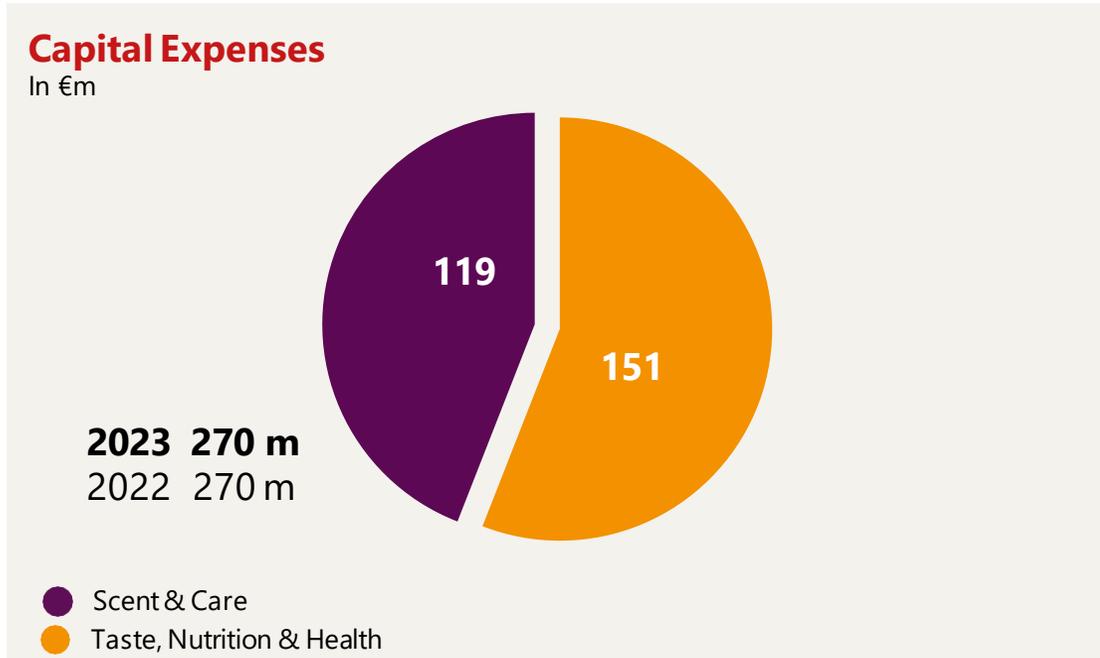
Symrise and Virchow Group announce Joint Venture in India: Achieve market leading position for cosmetic ingredients.

Building production of world-scale volumes to serve the APAC region.



Capital expenses to leverage growth opportunities

Continued expansion of production footprint



Investments in **property, plant and equipment**.
Totaling €247m - mainly from new plant constructions.

Investments in **intangible assets of € 23 million** - especially in software.



New constructions

- Pet Food "Araucaria" Brazil (completed in Q1)
- Pet Food "Balam" Mexico
- Cosmetic Ingredients plant Spain
- Cosmetic Ingredients plant JV India

Capacity expansion TN&H

- Pet Food JV with Sunner China
- Pet Food "Schaffelaarbos" in the Netherlands
- Food & Beverage Naturals France

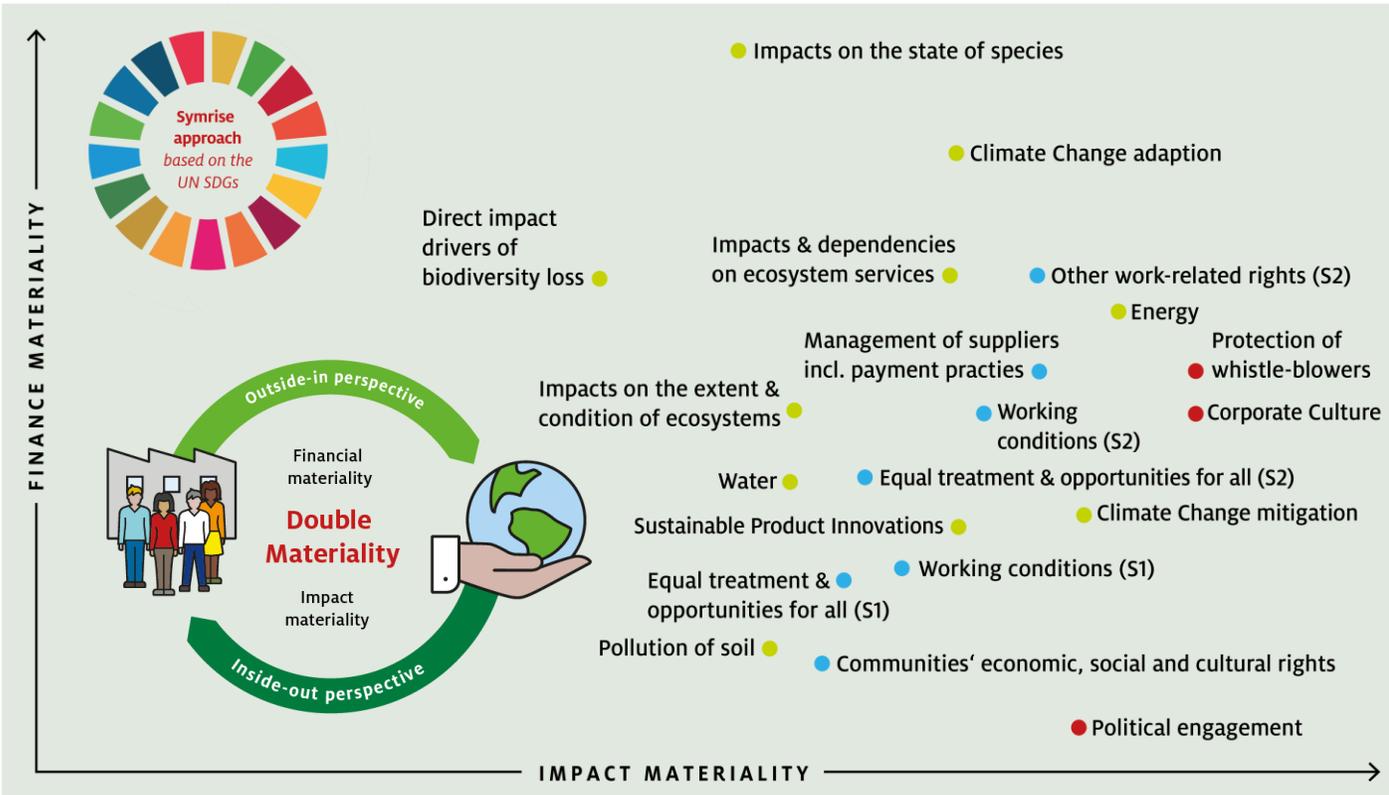
Capacity expansion S&C

- Capacity Expansion Mexico
- Upgrade Granada Spain
- Capacity Expansion Mexico
- Capacity Expansion Spain

Sustainability focus 2024

Increasing transparency and requirements based on CSRD

(Corporate Sustainability Reporting Directive)



Environment	
E1: Climate Change	E2: Pollution
E3: Water and marine resources	E4: Biodiversity and ecosystems
E5: Resource use and circular economy	
Social	
S1: Own workforce	S2: Workers in the value chain
S3: Affected communities	S4: Consumers and end-users
Governance	
G1: Business Conduct	

Comment

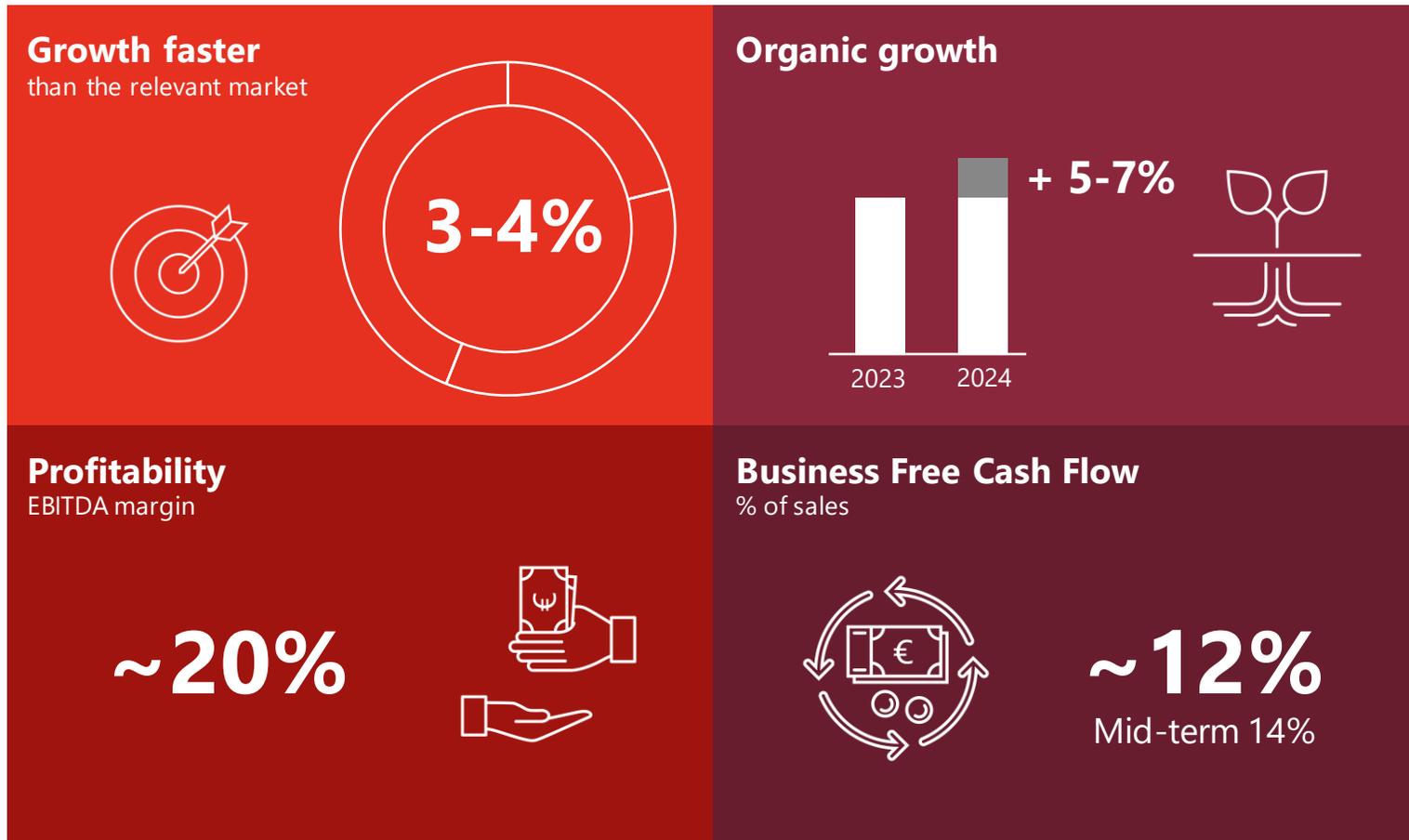
- Compass: SDGs
- Double Materiality Analysis conducted based on CSRD requirements
- ESG divided in 10 standards
- 37 topics overall / 21 material for Symrise (> 1000 Data points)
- Transparency acknowledged through numerous positive ratings, e. g. CDP, highest Score in *Climate and Water*



Outlook 2024

Very confident to achieve targets

Targets 2024



Corporate view

Business environment fully intact with high industry dynamics

Taste, Nutrition & Health

Building competencies towards complementary business areas

Scent & Care

Strong capabilities in fragrances and cosmetic ingredients

Implementation of an efficiency program

to ensure recovery of profitability

CEO change at Symrise

Heinz-Jürgen Bertram hands over position to Jean-Yves Parisot

Heinz-Jürgen Bertram:

“After 21 years of service at Symrise, of which 19 as a member of the Executive Committee and 15 as CEO, I’m retiring on my own request and by mutual agreement”



Michael König, Chairman of the Advisory Board:

“Jean-Yves Parisot, an internationally experienced executive from the company’s own ranks, takes over. Trustful and smooth transition until end of March 2024 ensured.”



Dr. Jean-Yves Parisot

Joined Symrise in 2014 and became Member of the Executive Committee in 2016.

President of Taste, Nutrition & Health.

President of the International Organization of the Flavor Industry (IOFI) since 2023.

Prior to Symrise, leadership roles at Pfizer, Rhone Poulenc/Rhodia, Danisco, Air Liquide and the Diana Group prior to its merger with Symrise.

Studied veterinary medicine and MBA degree from HEC Paris.



symrise

*always
inspiring more*

...

Long-term financial objectives 2028

Symrise continues with ambitious financial targets



Financial targets	until 2025	until 2028
Sales (€ bn)	5.5 – 6.0	7.5 – 8.0
Organic sales growth (CAGR)	5 – 7%	5 – 7%
Sales growth incl. M&A (CAGR)	6 – 9%	8 – 10%
EBITDA margin	20 – 23%	20 – 23%
Business Free Cash Flow	14%	14%

Business Free Cash Flow (BFCF)

Bridge from consolidated Cash Flow statement



Consolidated Statement of Cash Flows

in € million

Net Sales	4,730.2
EBITDA reported	851.7
adjustment one-offs	19.2
EBITDA adjusted	870.8
Inc. / Dec. in trade receivables	-34.3
Inc. / Dec. of inventories	45.0
Inc. / Dec. in trade payables	-34.8
Change in WoC	-24.2
Payments for investing in IA	-21.3
Payments for investing in PPE	-248.9
CAPEX	-270.2
Principal portion of Lease payments	-27.7
Business Free Cash Flow	548.8
<i>in % of Net Sales</i>	11.6%

One-Time adjustment	0.4
Bridge WoC	0.4
Reclass non-cash PPE	1.7
Reclass non-cash IA	-1.6
Proceeds from sale of PPE	2.7
Bridge CAPEX	2.8
M&A gains / At Equity	1.1
Bridge Total	4.3

Business Free Cash Flow calculation

in € million

Net Sales	4,730.2
EBITDA reported	851.7
adjustment one-offs	19.2
EBITDA adjusted	870.8
Inc. / Dec. in trade receivables	-33.9
Inc. / Dec. of inventories	45.0
Inc. / Dec. in trade payables	-34.8
Change in WoC	-23.7
CAPEX	-267.4
Reversal extraordinary M&A gains	0.2
Business Free Cash Flow At Equity	0.8
Principal portion of Lease payments	-27.7
Business Free Cash Flow	553.1
<i>in % of Net Sales</i>	11.7%

Exceptional impact

Comparison H1 & H2 2022 with H1 & H2 2023

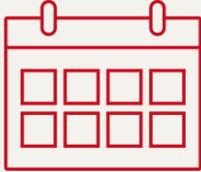


H1 2022			
positive + €m	negative - €m		
Sale of Velcorin business	18.0	M&A related one-time costs	4.0
Cyberattack reimbursement from insurance company	3.6		
Total	21.6	Total	4.0
Delta positive / negative	17.6		

H2 2022			
positive + €m	negative - €m		
Partial Sale of celery business	18.0	M&A related one-time costs	5.0
		Downtime costs and certain organizational optimization cost	12.0
Total	18.0	Total	17.0
Delta positive / negative	1.0		

H1 2023			
positive + €m	negative - €m		
		Downtime costs and related revaluation of piled-up inventory	23.6
		Revised Scent & Care strategy	3.1
		Cartel / legal costs	2.3
Total	0.0	Total	29.0
Delta positive / negative			29.0

H2 2023			
positive + €m	negative - €m		
		Downtime costs and related revaluation of piled-up inventory	22.9
		Revised Scent & Care strategy	1.2
Cyberattack reimbursement from insurance company	4.8	Cartel / legal costs	3.5
Total	4.8	Total	27.6
Delta positive / negative			22.8



Financial calendar

25 April

Q1 2024 Trading statement

01 August

H1 2024 Results

15 May

Annual General Meeting
2024

24 October

9M 2024 Trading statement



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