



SENSIENT[®]

Fourth Quarter 2022

Investor Presentation

FORWARD-LOOKING STATEMENTS

This document contains statements that may constitute “forward-looking statements” within the meaning of Federal securities laws including under “2023 Financial Outlook” in this presentation. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors concerning the Company’s operations and business environment. Important factors that could cause actual results to differ materially from those suggested by these forward-looking statements and that could adversely affect the Company’s future financial performance include the following: the Company’s ability to manage economic and capital market conditions and the impact of recessions and economic downturns; the impact of macroeconomic and geopolitical volatility, including inflation and shortages impacting the availability and cost of raw materials, energy, and other supplies; the availability and cost of labor, logistics, and transportation; the impact and uncertainty created by the COVID-19 pandemic and efforts to manage it on the global economy, including, but not limited to, its effects on our employees, facilities, customers, and suppliers, governmental regulations and restrictions, and general economic conditions; the uncertain impacts of the ongoing conflict between Russia and Ukraine on our supply chain, input costs, including energy and transportation, and on general economic conditions; the pace and nature of new product introductions by the Company and the Company’s customers; the Company’s ability to anticipate and respond to changing consumer preferences and changing technologies; the Company’s ability to successfully implement its growth strategies; the outcome of the Company’s various productivity-improvement and cost-reduction efforts, acquisition and divestiture activities, and operational improvement plan; industry, regulatory, legal, and economic factors related to the Company’s domestic and international business; the effects of tariffs, trade barriers, and disputes; growth in markets for products in which the Company competes; industry and customer acceptance of price increases; actions by competitors; currency exchange rate fluctuations; and other factors included in “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021, as updated and supplemented by the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, and in other documents that the Company files with the SEC, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 that will be filed by March 1, 2023. The risks and uncertainties identified above are not the only risks the Company faces. Additional risks and uncertainties not presently known to the Company or that it currently believes to be immaterial also may adversely affect the Company. Should any known or unknown risks and uncertainties develop into actual events, these developments could have material adverse effects on our business, financial condition, and results of operations. This presentation contains time-sensitive information that reflects management’s best analysis only as of the date of this presentation. Except to the extent required by applicable laws, the Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied herein will not be realized.

NON-GAAP FINANCIAL MEASURES

Within this document, the Company reports certain non-GAAP financial measures, including: (1) adjusted revenue, adjusted operating income, adjusted net earnings, and adjusted diluted earnings per share (which exclude divestiture & other related costs, the results of the divested product lines, and restructuring and other costs, which include operational improvement plan costs and income) (2) adjusted results by segment (which exclude divestiture & other related costs, operational improvement plan costs and income, and the results of the divested operations), (3) percentage changes in revenue, operating income, diluted earnings per share, and EBITDA on an adjusted local currency basis (which eliminate the effects that result from translating its international operations into U.S. dollars, divestiture & other related costs, the results of the divested product lines, and restructuring and other costs, which include operational improvement plan costs), and (4) adjusted EBITDA (which excludes depreciation and amortization expense, non-cash share based compensation expense, the results of the divested product lines, the divestiture & other related costs, and operational improvement plan costs and income). The Company has included each of these non-GAAP measures in order to provide additional information regarding the underlying operating results and comparable period-over-period performance. Such information is supplemental to information presented in accordance with GAAP and is not intended to represent a presentation in accordance with GAAP. These non-GAAP measures should not be considered in isolation. Rather, they should be considered together with GAAP measures and the rest of the information included in this presentation and the Company's SEC filings. Management internally reviews each of these non-GAAP measures to evaluate performance on a comparative period-to-period basis and to gain additional insight into underlying operating and performance trends. The Company believes this information can be beneficial to investors for these same purposes. These non-GAAP measures may not be comparable to similarly titled measures used by other companies. Refer to "Non-GAAP Financial Measures" at the end of this presentation for reconciliations and additional information.

Sensient Overview



Provider of customized solutions for food and beverage, pharmaceutical, and personal care customers

Global market leader offering an extensive portfolio of natural flavor and color technology platforms and solutions

Exceptional innovation & applications expertise with unique ability to service global, regional, and local customers

Innovative Technologies Creating Unique Solutions



Applications expertise and solutions-based selling

High impact relative to cost

Technically-driven products that are difficult to replace

Strong consumer trends

Opportunities to grow organically and through M&A

Focusing our portfolio and strengthening our commitment to the end markets



Investing in core focus areas of Flavors and Extracts, Natural Ingredients, Food and Pharmaceutical Colors, and Personal Care

Divested non-core product lines (inks, fragrances, and yogurt fruit prep product lines) in 2020 and 2021

Expanded flavor portfolio and strengthened technical solutions capabilities through the acquisition of Flavor Solutions, Inc. in July 2021

Strengthened extensive natural color portfolio by acquiring Endemix, a vertically integrated natural color and extracts company, in October 2022

Natural solutions provider focused on consistent and sustainable supply chain



Provider of natural solutions to support health & wellness and clean label consumer trends

Robust agronomy program ensures responsible procurement and traceability of sustainable ingredients

Committed to delivering safe, authentic, high-quality natural products through Sensient's Certasure™ program

Global Revenue by Group



Color Group

2022 Revenue: \$604M

Core Areas of Focus: Food and Pharmaceutical Colors and Personal Care



Flavors & Extracts Group

2022 Revenue: \$738M

Core Areas of Focus: Natural Flavors, Extracts and Natural Ingredients



Asia Pacific Group

2022 Revenue: \$144M

Core Areas of Focus: Flavors and Colors for food and beverage

Color Group



Global market leader

Natural color innovator

Excellent innovation & applications expertise

Color Overview



2022 Revenue: \$604M

Food and Pharmaceutical

73% of Segment Revenue

LC Revenue Change*
Q4 '22 +14.9%
YTD '22 +16.9%

- Market trend toward natural colors in food and beverage
- Unique value proposition for Pharmaceutical customers includes colors, flavors, coatings, and extracts

Personal Care

27% of Segment Revenue

LC Revenue Change*
Q4 '22 +4.3%
YTD '22 +9.5%

- Demand for innovative products with multiple benefits
- Product line includes dyes, pigments, formulation aides and ingredients for color cosmetics, hair care, and skin care

Flavors & Extracts Group



Broad product offering

Unique ability to service global, regional, and local customers

Leading technology platforms

Outstanding applications expertise

Flavors & Extracts Overview



2022 Revenue: \$738M

Flavors, Extracts, and Flavor Ingredients

67% of Segment Revenue

LC Revenue Change*
Q4 '22 +11.0%
YTD '22 +12.6%

- Opportunities for on trend products with extracts, taste modulation, and natural flavors

Natural Ingredients

33% of Segment Revenue

LC Revenue Change*
Q4 '22 (10.2%)
YTD '22 (6.1%)

- Leading provider of dehydrated onion, garlic, and other products

Asia Pacific Group



Portfolio of food and beverage flavors and colors

R&D centers in key strategic markets to support local and regional customer base

Ability to deliver localized solutions and technology platforms

Asia Pacific Overview



2022 revenue of \$144 million and operating income of \$29 million

Sensient's sales of flavors and colors for Food and Pharmaceutical are managed on a geographic basis and reported as a separate segment

Manufacturing capabilities in Australia, New Zealand, China, Japan, Philippines, Thailand, and India

Q4 2022 local currency adjusted revenue* and operating profit* improved 6.4% and 3.6%, respectively

2022 Q4 Segment Results



Local Currency Adjusted Revenue*

	Q4	YTD
Color	+11.9%	+15.0%
Flavors & Extracts	+2.7%	+5.8%
Asia Pacific	+6.4%	+14.4%

Local Currency Adjusted Operating Income*

	Q4	YTD
Color	+7.8%	+15.1%
Flavors & Extracts	(4.1%)	+10.3%
Asia Pacific	+3.6%	+22.5%

Local Currency Adjusted* Commentary:

Color Group reported higher revenue in the quarter due to pricing actions and volume growth. Operating income was up due to pricing actions and volume growth, partially offset by higher input costs.

Flavors & Extracts Group fourth quarter revenue increased as a result of pricing actions. Volume growth in Flavors, Extracts and Flavor Ingredients was offset by lower Natural Ingredient volumes primarily due to customer destocking. Operating income declined in the quarter primarily due to higher input costs and lower volumes for the Group.

Asia Pacific Group fourth quarter revenue and operating income increased due to pricing actions across the Group.

2022 Q4 Consolidated Results

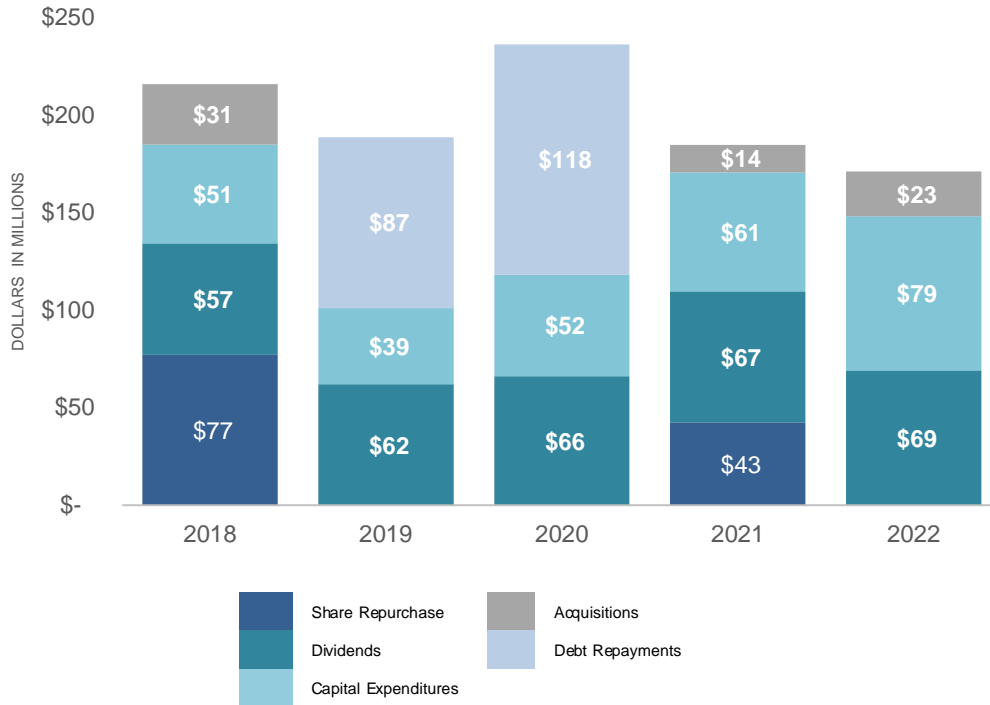


	Q4	YTD
Local Currency Adjusted Revenue*	+5.9%	+9.7%
Local Currency Adjusted Operating Income*	(1.7%)	+12.5%
Local Currency Adjusted Diluted EPS*	(6.8%)	+9.9%
Local Currency Adjusted EBITDA*	+0.3%	+12.8%

Q4 consolidated local currency adjusted revenue increased due to pricing actions across the groups and continued volume growth in the Color Group.

Q4 consolidated local currency adjusted operating income declined despite operating profit growth in the Colors and Asia Pacific Groups. Lower volumes in the Natural Ingredients product line, and higher year-over-year input costs and Corporate expenses related to performance-based compensation contributed to the reduction in the quarter.

Capital Allocation



Prioritize ROI capital projects

Maintain financial flexibility to pursue M&A

Excess capital returned to shareholders through dividend and opportunistic share repurchases

2023 Financial Outlook



Metric	Guidance	Comments
Local Currency Revenue*	Mid-single digit growth	
Adjusted Local Currency EBITDA*	Mid-to-high single digit growth	<ul style="list-style-type: none"> Excludes the impact of share-based stock compensation
Diluted EPS (GAAP)	Flat to Low-single digit growth	<ul style="list-style-type: none"> FX headwind in early 2023, but moderately favorable for the full year Interest expense headwind of approximately \$11 million Tax rate of approximately 25%
Local Currency Diluted EPS*	Flat to Low-single digit growth	

The 2023 Local Currency Diluted EPS, Local Currency Revenue and Adjusted Local Currency EBITDA growth rates for 2023 are compared to 2022 Adjusted Diluted EPS, Adjusted Revenue and Adjusted EBITDA, respectively. Adjusted revenue, adjusted diluted EPS and adjusted EBITDA are Non-GAAP metrics. Please see our GAAP to Non-GAAP Reconciliation at the end of this document.

Why Invest?



Strong competitive position

Defensible and 'sticky' business (& low portion of customer costs)

Global presence

Exposure to stable and growing markets

Focused on improving returns and on growth

APPENDIX*

**Amounts in thousands, except percentages and per share amounts*

ESG Information

Click [here](#) to access our



Environmental

Sensient is committed to the principles of sound environmental stewardship and the responsible and sustainable use of energy and natural resources.

- Long-term goals to **reduce** Energy, Water, and Hazardous **Waste intensity**
- Seed-to-shelf program focused on **sustainable supply chain**
- Emphasis on new products and technologies that **minimize waste and environmental impacts**
- **Chemical Risk Strategy** implemented to identify and reduce risk in our portfolio

Social

Sensient strives to conduct business in an ethical manner and to make a positive contribution to society through our product offerings and business activities.

- Sensient's Code of Conduct and Supplier Code of Conduct require **strong ethical behavior, fair employment practices, and strict human rights practices** and **product safety standards**
- Robust product, environmental, and raw material **safety programs** designed to **exceed industry standards**
- Raw material **traceability and sustainability** programs
- **Support for our local communities** through volunteerism, financial donations, sponsorships, and employee education opportunities

Governance

Sensient is committed to maintaining the highest standards of professional conduct and strong corporate governance practices through our comprehensive corporate governance framework.

- Board comprised of a majority of **independent directors** with diverse and accomplished backgrounds
- Committed to **board diversity and refreshment**, we were recognized by 50/50 Women on Boards for the tenth year in a row and we have added seven new directors since 2014.
- Robust Code of Conduct built on a foundation of **ethics, safety and quality, and professionalism** resulting in ethical and lawful conduct of our business

Non-GAAP Financial Measures

	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Year Ended December 31, 2022	Year Ended December 31, 2021
Revenue (GAAP)	\$ 348,736	\$ 340,448	\$ 1,437,039	\$ 1,380,264
Revenue of the divested product lines	-	(663)	-	(30,062)
Adjusted revenue	\$ 348,736	\$ 339,785	\$ 1,437,039	\$ 1,350,202
Operating income (GAAP)	\$ 41,225	\$ 40,420	\$ 196,751	\$ 170,028
Divestiture & other related costs – Cost of products sold	-	58	-	86
Divestiture & other related (income) costs – Selling and administrative expenses	(2,532)	579	(2,532)	14,052
Operating loss (income) of the divested product lines	-	518	-	(1,880)
Operational improvement plan - Selling and administrative expenses (income)	-	115	-	(1,895)
Adjusted operating income	\$ 38,693	\$ 41,690	\$ 194,219	\$ 180,391
Net earnings (GAAP)	\$ 29,121	\$ 27,229	\$ 140,887	\$ 118,745
Divestiture & other related (income) costs, before tax	(2,532)	637	(2,532)	14,138
Tax impact of divestiture & other related costs *	636	1,809	636	2,092
Net loss (earnings) of the divested product lines, before tax	-	518	-	(1,880)
Tax impact of the divested product lines *	-	(130)	-	460
Operational improvement plan costs (income), before tax	-	115	-	(1,895)
Tax impact of operational improvement plan *	-	427	-	471
Adjusted net earnings	\$ 27,225	\$ 30,605	\$ 138,991	\$ 132,131
Diluted earnings per share (GAAP)	\$ 0.69	\$ 0.65	\$ 3.34	\$ 2.81
Divestiture & other related (income) costs, net of tax	(0.04)	0.06	(0.04)	0.38
Results of operations of the divested product lines, net of tax	-	0.01	-	(0.03)
Operational improvement plan costs (income), net of tax	-	0.01	-	(0.03)
Adjusted diluted earnings per share	\$ 0.64	\$ 0.73	\$ 3.29	\$ 3.13

* Tax impact adjustments were determined based on the nature of the underlying Non-GAAP adjustments and their relevant jurisdictional tax rates.

Non-GAAP Financial Measures (Cont'd)

	Three Months Ended December 31, 2022				Year Ended December 31, 2022			
	Total	Foreign Exchange Rates	Adjustments*	Adjusted Local Currency	Total	Foreign Exchange Rates	Adjustments*	Adjusted Local Currency
Revenue								
Flavors & Extracts	0.8%	(1.8%)	(0.1%)	2.7%	(0.2%)	(2.2%)	(3.8%)	5.8%
Color	7.8%	(3.8%)	(0.3%)	11.9%	10.8%	(3.8%)	(0.4%)	15.0%
Asia Pacific	(3.3%)	(9.7%)	0.0%	6.4%	6.1%	(8.0%)	(0.3%)	14.4%
Total Revenue	2.4%	(3.3%)	(0.2%)	5.9%	4.1%	(3.4%)	(2.2%)	9.7%
Operating Income								
Flavors & Extracts	(2.0%)	(0.1%)	2.2%	(4.1%)	6.9%	(0.9%)	(2.5%)	10.3%
Color	2.0%	(5.9%)	0.1%	7.8%	10.7%	(5.1%)	0.7%	15.1%
Asia Pacific	(7.9%)	(11.5%)	0.0%	3.6%	12.0%	(10.1%)	(0.4%)	22.5%
Corporate & Other	(10.5%)	0.0%	(26.6%)	16.1%	(9.8%)	0.0%	(29.4%)	19.6%
Total Operating Income	2.0%	(5.6%)	9.3%	(1.7%)	15.7%	(5.2%)	8.4%	12.5%
Diluted Earnings Per Share	6.2%	(6.1%)	19.1%	(6.8%)	18.9%	(5.3%)	14.3%	9.9%
Adjusted EBITDA	(4.3%)	(4.6%)	N/A	0.3%	8.7%	(4.1%)	N/A	12.8%

* For Revenue, adjustments consist of revenues of the divested product lines. For Operating Income, Diluted Earnings per Share, and Adjusted EBITDA, adjustments consist of the results of the divested product lines, divestiture & other related costs and income, and 2021 operational improvement plan costs and income.

Non-GAAP Financial Measures (Cont'd)

<u>Revenue</u>	<u>Three Months Ended December 31, 2022</u>			<u>Year Ended December 31, 2022</u>		
	<u>Total</u>	<u>Foreign Exchange Rates</u>	<u>Local Currency</u>	<u>Total</u>	<u>Foreign Exchange Rates</u>	<u>Local Currency</u>
Flavors, Extracts and Flavor Ingredients	8.2%	(2.8%)	11.0%	9.3%	(3.3%)	12.6%
Natural Ingredients	(10.4%)	(0.2%)	(10.2%)	(6.2%)	(0.1%)	(6.1%)
Fragrances*	(100.0%)	0.0%	(100.0%)	(100.0%)	0.0%	(100.0%)
Yogurt Fruit Prep*	(100.0%)	0.0%	(100.0%)	(100.0%)	0.0%	(100.0%)
Flavors & Extracts Group	0.8%	(1.8%)	2.6%	(0.2%)	(2.2%)	2.0%
Food and Pharmaceutical	11.9%	(3.0%)	14.9%	13.5%	(3.4%)	16.9%
Personal Care	(1.2%)	(5.5%)	4.3%	4.6%	(4.9%)	9.5%
Inks*	(59.4%)	0.0%	(59.4%)	(17.7%)	0.0%	(17.7%)
Color Group	7.8%	(3.8%)	11.6%	10.8%	(3.8%)	14.6%
Asia Pacific	(3.3%)	(9.7%)	6.4%	6.1%	(8.0%)	14.1%
Total revenue including the product lines divested	2.4%	(3.3%)	5.7%	4.1%	(3.4%)	7.5%

Note: *Fragrances was divested in April 2021, Inks was divested in June 2020, and Yogurt Fruit Prep was divested in September 2020.

Non-GAAP Financial Measures (Cont'd)

Results by Segment	Three Months Ended December 31,					
	2022	Adjustments*	Adjusted 2022	2021	Adjustments*	Adjusted 2021
Revenue						
Flavors & Extracts	\$ 178,893	\$ -	\$ 178,893	\$ 177,448	\$ (221)	\$ 177,227
Color	147,842	-	147,842	137,104	(442)	136,662
Asia Pacific	34,567	-	34,567	35,749	-	35,749
Intersegment elimination	(12,566)	-	(12,566)	(9,853)	-	(9,853)
Consolidated	<u>\$ 348,736</u>	<u>\$ -</u>	<u>\$ 348,736</u>	<u>\$ 340,448</u>	<u>\$ (663)</u>	<u>\$ 339,785</u>
Operating Income						
Flavors & Extracts	\$ 21,495	\$ -	\$ 21,495	\$ 21,942	\$ 491	\$ 22,433
Color	24,584	-	24,584	24,113	27	24,140
Asia Pacific	6,615	-	6,615	7,184	-	7,184
Corporate & Other	(11,469)	(2,532)	(14,001)	(12,819)	752	(12,067)
Consolidated	<u>\$ 41,225</u>	<u>\$ (2,532)</u>	<u>\$ 38,693</u>	<u>\$ 40,420</u>	<u>\$ 1,270</u>	<u>\$ 41,690</u>

* For Revenue, adjustments consist of revenues of the divested product lines. For Operating Income, adjustments consist of the results of the divested product lines, divestiture & other related costs and income, and 2021 operational improvement plan costs and income.

Non-GAAP Financial Measures (Cont'd)

Results by Segment	Year Ended December 31,					
	2022	Adjustments*	Adjusted 2022	2021	Adjustments*	Adjusted 2021
Revenue						
Flavors & Extracts	\$ 738,003	\$ -	\$ 738,003	\$ 739,427	\$ (27,837)	\$ 711,590
Color	604,017	-	604,017	545,270	(2,080)	543,190
Asia Pacific	143,581	-	143,581	135,348	(295)	135,053
Intersegment elimination	(48,562)	-	(48,562)	(39,781)	150	(39,631)
Consolidated	<u>\$ 1,437,039</u>	<u>\$ -</u>	<u>\$ 1,437,039</u>	<u>\$ 1,380,264</u>	<u>\$ (30,062)</u>	<u>\$ 1,350,202</u>
Operating Income						
Flavors & Extracts	\$ 105,424	\$ -	\$ 105,424	\$ 98,660	\$ (2,368)	\$ 96,292
Color	114,619	-	114,619	103,575	575	104,150
Asia Pacific	29,492	-	29,492	26,330	(87)	26,243
Corporate & Other	(52,784)	(2,532)	(55,316)	(58,537)	12,243	(46,294)
Consolidated	<u>\$ 196,751</u>	<u>\$ (2,532)</u>	<u>\$ 194,219</u>	<u>\$ 170,028</u>	<u>\$ 10,363</u>	<u>\$ 180,391</u>

* For Revenue, adjustments consist of revenues of the divested product lines. For Operating Income, adjustments consist of the results of the divested product lines, divestiture & other related costs and income, and 2021 operational improvement plan costs and income.

Non-GAAP Financial Measures (Cont'd)

	Three Months Ended December 31,			Year Ended December 31,		
	2022	2021	% Change	2022	2021	% Change
Operating income (GAAP)	\$ 41,225	\$ 40,420	2.0%	\$ 196,751	\$ 170,028	15.7%
Depreciation and amortization	13,205	13,223		52,467	52,051	
Depreciation and amortization, divested product lines	-	-		-	(146)	
Share-based compensation expense	3,662	3,142		16,138	9,573	
Divestiture & other related (income) costs, before tax	(2,532)	637		(2,532)	14,138	
Results of operations of the divested product lines, before tax	-	518		-	(1,880)	
Operational improvement plan costs (income), before tax	-	115		-	(1,895)	
Adjusted EBITDA	\$ 55,560	\$ 58,055	(4.3%)	\$ 262,824	\$ 241,869	8.7%

