



# **Sensient Technologies Corporation**

## **Third Quarter 2025 Earnings Call**

October 31, 2025

# Non-GAAP Financial Measures

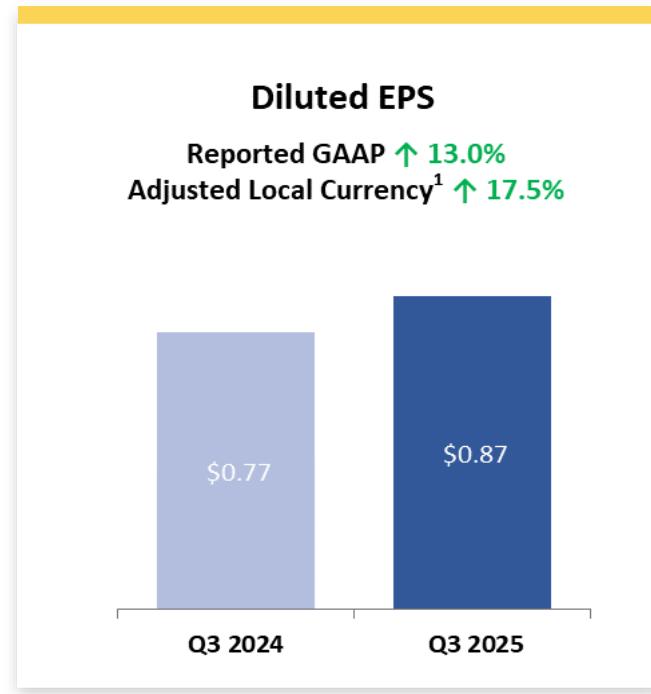
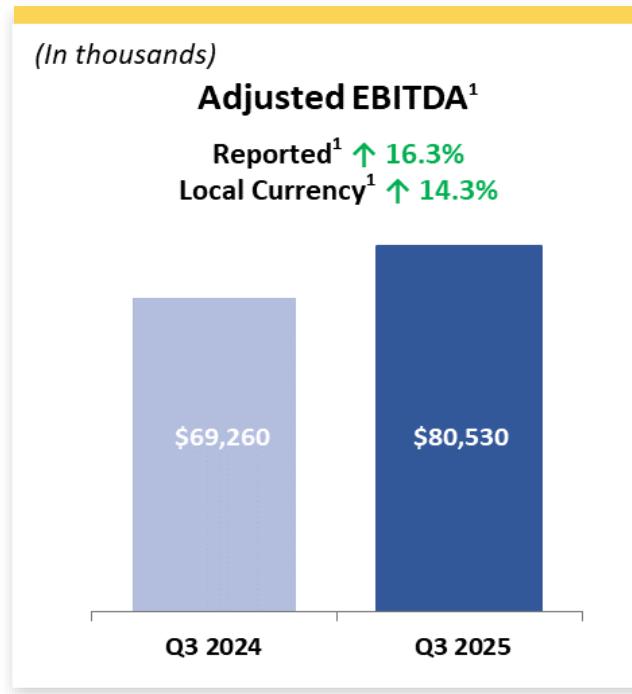
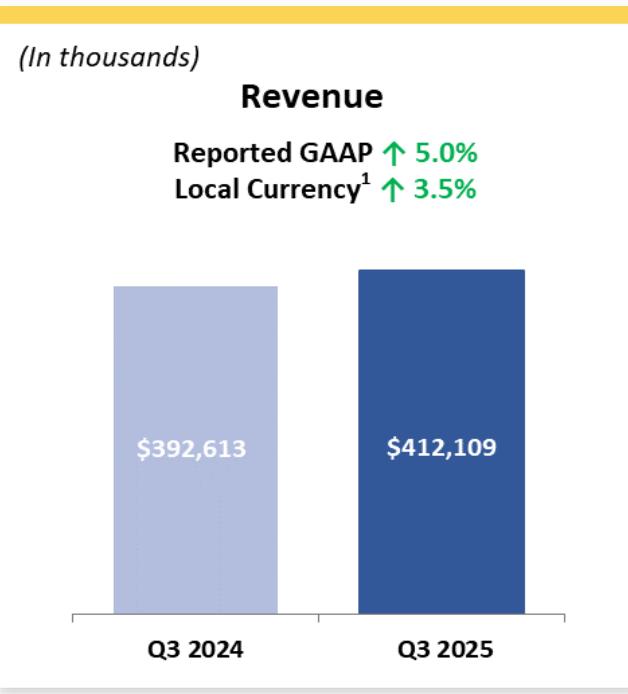
Within this document, the Company reports certain non-GAAP financial measures, including: (1) adjusted operating income, adjusted net earnings, and adjusted diluted earnings per share, which exclude restructuring and other costs, including the Portfolio Optimization Plan costs, (2) percentage changes in revenue, operating income, and diluted earnings per share on an adjusted local currency basis, which eliminate the effects that result from translating its international operations into U.S. dollars and restructuring and other costs, including the Portfolio Optimization Plan costs, and (3) adjusted EBITDA and adjusted EBITDA Margin (which exclude Portfolio Optimization Plan costs and non-cash share based compensation expense). The Company has included each of these non-GAAP measures in order to provide additional information regarding our underlying operating results and comparable year-over-year 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 report. 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, and the Company believes the information can be beneficial to investors for the same purposes. These non-GAAP measures may not be comparable to similarly titled measures used by other companies.

# Forward Looking Statements

This presentation contains statements that may constitute "forward-looking statements" within the meaning of Federal securities laws including under "2025 Financial Outlook", "Long-Term Outlook", and "Consolidated Full Year 2025 Outlook". 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 general business, economic, and capital market conditions, including actions taken by customers in response to such 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, disruptions and delays in the Company's supply chain, and the conflicts between Russia and Ukraine and in the Middle East; industry, regulatory, legal, and economic factors related to the Company's domestic and international business; the effects of tariffs, trade barriers, and disputes; the availability and cost of labor, logistics, and transportation; 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, changing technologies, and changing regulations; 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 Portfolio Optimization Plan; growth in markets for products in which the Company competes; industry and customer acceptance of price increases; actions by competitors; the Company's ability to enhance its innovation efforts and drive cost efficiencies; 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, 2024, and in other documents that the Company files with the SEC. 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.

# Quarterly Results & Business Update

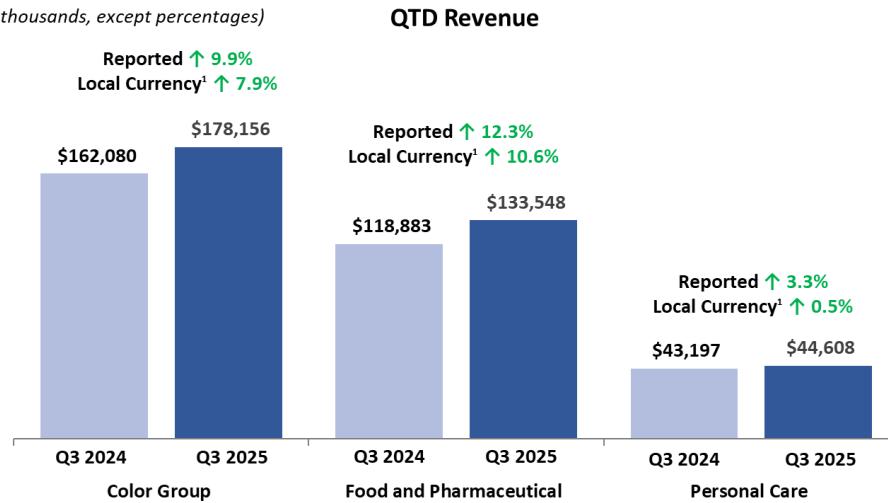
# Q3 2025 Consolidated Results



<sup>(1)</sup> See appendix for our GAAP to Non-GAAP reconciliations.

# Color Group Performance

(In thousands, except percentages)



**QTD Operating Income**

Reported ↑ 26.6%  
Local Currency<sup>1</sup> ↑ 23.8%

\$37,734

\$29,806

18.4%

\$37,734

21.2%

**QTD Adjusted EBITDA Margin<sup>1</sup>**

22.2%

24.7%

## Local Currency<sup>1</sup> Results Commentary

### Revenue

- Strong growth in the quarter driven by new sales wins and favorable pricing across the Group

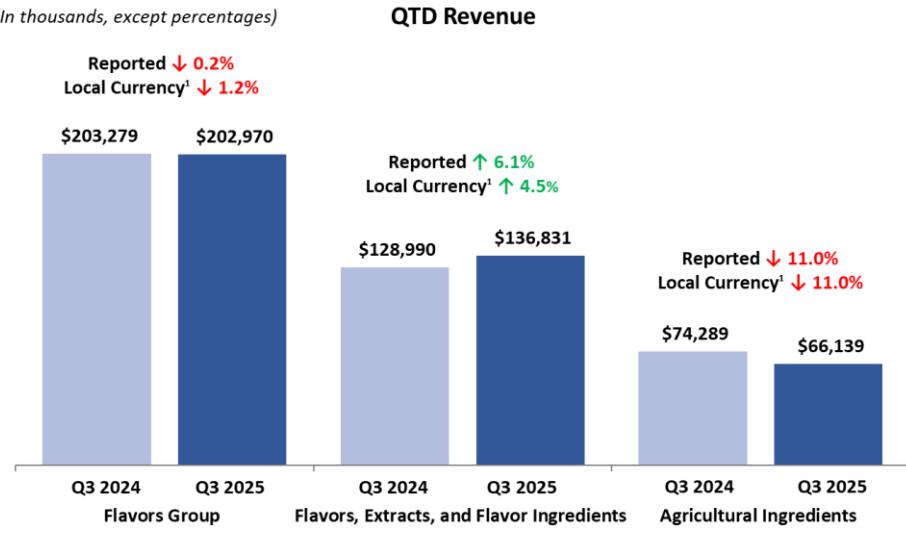
### Operating Results

- Strong operating leverage in the quarter primarily due to favorable pricing and volume growth
- Adjusted EBITDA Margin<sup>1</sup> for the Group was 24.7% in Q3 2025, up 250 bps from Q3 2024

(1) See appendix for our GAAP to Non-GAAP reconciliations.

# Flavors & Extracts Group Performance

(In thousands, except percentages)



**QTD Operating Income**

Reported ↑ 8.4%  
Local Currency<sup>1</sup> ↑ 7.8%



**QTD Adjusted EBITDA Margin<sup>1</sup>**

17.7%



(1) See appendix for our GAAP to Non-GAAP reconciliations.

## Local Currency<sup>1</sup> Results Commentary

### Revenue

- Strong growth within Flavors, Extracts, and Flavor Ingredients
- As previously discussed, lower demand in Agricultural Ingredients (formerly known as Natural Ingredients) is anticipated to continue throughout 2025

### Operating Results

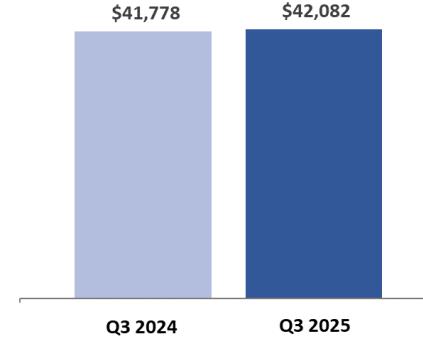
- Operating leverage improved in the quarter due to growth within the Flavors, Extracts, and Flavor Ingredients business
- Adjusted EBITDA Margin<sup>1</sup> for the group was 17.7% in Q3 2025, up 130 bps from Q3 2024

# Asia Pacific Group Performance

(In thousands,  
except percentages)

## QTD Revenue

Reported ↑ 0.7%  
Local Currency<sup>1</sup> ↓ 0.3%

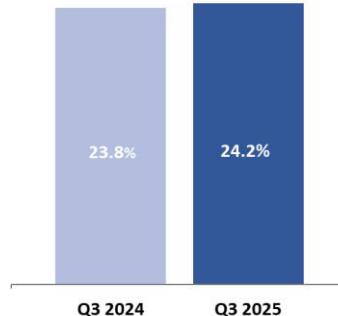


## QTD Operating Income

Reported ↑ 2.5%  
Local Currency<sup>1</sup> ↑ 0.2%



## QTD Adjusted EBITDA Margin<sup>1</sup>



(1) See appendix for our GAAP to Non-GAAP reconciliations.

## Local Currency<sup>1</sup> Results Commentary

### Revenue

- Driven by lower volumes within certain regions across the group but benefited by new sales wins

### Operating Results

- YOY operating income was relatively flat
- Adjusted EBITDA Margin<sup>1</sup> for the Group was 24.2% in Q3 2025, up 40 bps from Q3 2024

# Business Outlook<sup>1</sup>

## Consolidated Full Year 2025 Outlook

### Local Currency Revenue<sup>2</sup>

- Growth rate of mid-single-digit

### Local Currency Adjusted EBITDA<sup>2</sup>

- Growth rate of double-digits

### Local Currency Adjusted EPS<sup>2</sup>

- Growth rate of double-digits

## Long-Term Outlook

### Local Currency Revenue<sup>2</sup>

- Growth rate of mid-single-digit

### Local Currency Adjusted EBITDA<sup>2</sup>

- Growth rate of high single-digit

*Material Natural Color conversion activity would be incremental to these growth expectations*

<sup>(1)</sup> Represents outlook as of our earnings release provided on October 31, 2025, and does not constitute an update or reissuance as of any later date.

<sup>(2)</sup> This is a non-GAAP financial measure. We are not able to provide a reconciliation of this forward-looking measure as certain information required for such reconciliation, such as the impact of translating our international operations into U.S. Dollars, is not available without unreasonable efforts and we are not able to determine the probable significance of such items.

# Shifting Regulatory Environment Provides Opportunity

## Current Synthetic Color Regulatory Actions – U.S. Food and Beverage\*

### First School Lunch Ban

West Virginia  
August 2025

### Red 3 Ban

U.S. Federal Ban  
January 2027

### State-wide warning labels for colors

Texas  
January 2027

### First state-wide synthetic color ban

West Virginia  
January 2028

## Synthetic to Natural Color Conversion

- In the U.S., and selectively throughout Latin America, our synthetic colors revenue for the food and nutraceutical market is approximately \$100M
- Conversion from synthetic to natural varies but can result in a conversion factor of approximately 10-to-1
- Natural colors continue to grow above overall company mid-term outlook

\*As of October 27, 2025

# FDA Tracking the Industry: Pledges to Remove Synthetic Food Dyes

*The FDA is maintaining a tracker highlighting companies in the food and beverage industry that "are stepping up and reformulating their products with alternative colors derived from natural sources and setting ambitious timelines to complete the transition."*

## Included Companies

- American Bakers Association
- Conagra Brands, Inc.
- Consumer Brands Association
- Danone U.S.
- General Mills, Inc.
- Grupo Bimbo, S.A.B. de C.V.
- In-N-Out Burger
- International Dairy Foods Association
- Kellanova
- Mars, Inc.
- McCormick & Company, Inc.
- Nestle S.A.
- PepsiCo, Inc.
- PIM Brands, Inc.
- The Hershey Company
- The J.M. Smucker Company
- The Kraft Heinz Company
- Tyson Foods, Inc.
- Walmart Inc.
- WK Kellogg Co.

# 2025 Natural Color Highlights

## CERTASURE™

**Integrated Safety  
Certification and Hazards  
Analysis Program for colors  
derived from botanical  
sources**

### Rigorous screening for:

- Pesticides
- Heavy Metals
- Microbiologicals
- Adulteration
- Unauthorized Solvents



- ✓ Comprehensive vendor certification
- ✓ Stringent quality testing on every batch of raw materials
- ✓ Good manufacturing practices
- ✓ Full raw material traceability
- ✓ Employee & site safety

## Pure-S™ Orange

**Deodorized to remove Off-Notes; Clear Bright Orange Paprika Solution**

### Ideal for:

- Beverage
- Baked Goods
- Dairy
- Confection



- ✓ Exceptional and brightest Yellow 6 natural alternative
- ✓ Clear hue
- ✓ No flavor or odor off-notes
- ✓ Kosher, Halal, and Non-GMO

# Taste Modulation: Sensient's Taste Elevating Technologies

**Convert with Confidence and Raise Taste Attributes —Naturalness Looks AND Tastes Good with Sensient**

## **BioSymphony™**

Sensient's signature innovation designed to elevate taste attributes. BioSymphony gives product developers flexibility to:

- Raise premium taste perception
- Optimize taste efficacy of any product
- Exponentially expand our customers' flavor options

## **PureMask™**

Ideal for balancing taste and neutralizing off notes that could originate from various ingredients in the product.

- Ideal at masking/blocking undesirable, and enhancing desirable, attributes
- Effectively addresses a wide variety of taste issues ranging from bitterness to aftertaste
- Enhances positive attributes like taste and aroma

# Financial Update & Outlook

# Q3 2025 Financial Review

(dollars in thousands)	Q3 2024	Q3 2025	Local Currency Growth <sup>1</sup>
Revenue	\$ 392,613	\$ 412,109	+3.5%
Operating Income (GAAP)	\$ 50,520	\$ 57,706	
Operating Margin	12.9%	14.0%	
Adjusted Operating Income <sup>1</sup>	\$ 51,731	\$ 61,029	+15.7%
Adjusted Operating Margin <sup>1</sup>	13.2%	14.8%	
Diluted EPS (GAAP)	\$ 0.77	\$ 0.87	
Adjusted Diluted EPS <sup>1</sup>	\$ 0.80	\$ 0.96	+17.5%
Adjusted EBITDA <sup>1</sup>	\$ 69,260	\$ 80,530	+14.3%
Adjusted EBITDA Margin <sup>1</sup>	17.6%	19.5%	

(1) See appendix for our GAAP to Non-GAAP reconciliations.

## Consolidated Commentary

- Local currency revenue<sup>1</sup> increased 3.5%
- Q3 2025 results included \$3.3 million of Portfolio Optimization Plan costs (approximately 9 cents per share)
- Adjusted EBITDA Margin<sup>1</sup> improved 190 bps in the quarter due to favorable pricing and strong volume growth

# 2025 Cash Flow and Debt Metrics

	Q3 2024 QTD	Q3 2025 QTD
Cash Flow from Operations	\$ 76.8 million	\$ 44.0 million
Capital Expenditures	\$ 13.2 million	\$ 19.8 million
Total Debt	\$ 643.4 million	\$ 712.0 million
Net debt to credit adjusted EBITDA <sup>1</sup>	2.4x	2.3x

## Commentary

- Cash flow from operating activities was \$44.0 million in Q3 2025, which decreased 42.8% compared to Q3 2024 primarily due to higher use of cash for working capital
- Net debt to credit adjusted EBITDA<sup>1</sup> was 2.3x in Q3 2025, down from 2.4x in Q3 2024

<sup>(1)</sup> See appendix for our GAAP to Non-GAAP reconciliations.

# 2025 Financial Outlook<sup>1</sup>

Metric	Current Guidance	Prior Guidance
Local Currency Revenue <sup>2</sup>	Mid-single-digit growth	Mid-single-digit growth
Local Currency Adjusted EBITDA <sup>2</sup>	Double-digit growth	High single-digit growth
Diluted EPS (GAAP)	\$3.13 to \$3.23 <sup>3</sup>	\$3.13 to \$3.23
Local Currency Adjusted Diluted EPS <sup>2</sup>	Double-digit growth	High single-digit to double-digit growth
Capital Expenditures	~ \$100 million	~ \$100 million
Adjusted Effective Tax Rate	~ 25%	~ 25%
Interest Expense <sup>4</sup>	Slight increase over prior year	Slight increase over prior year

(1) Represents outlook as of our earnings release provided on October 31, 2025, and does not constitute an update or reissuance as of any later date.

(2) This is a non-GAAP financial measure. We are not able to provide a reconciliation of this forward-looking measure as certain information required for such reconciliation, such as the impact of translating our international operations into U.S. Dollars, is not available without unreasonable efforts and we are not able to determine the probable significance of such items.

(3) Diluted EPS (GAAP) includes approximately \$0.28/share of Portfolio Optimization Plan costs. Total plan costs are expected to be approximately \$48M.

(4) Interest expense assumes no additional USD borrowing rate reductions for 2025.





# Appendix<sup>1</sup>

(1) Amounts in thousands, except percentages and per share amounts.

# Non-GAAP Financial Measures

	Three Months Ended September 30,		
	2025	2024	% Change
<b>Operating income (GAAP)</b>	<b>\$ 57,706</b>	<b>\$ 50,520</b>	14.2%
Portfolio Optimization Plan costs – Cost of products sold	649	209	
Portfolio Optimization Plan costs – Selling and administrative expenses	2,674	1,002	
<b>Adjusted operating income</b>	<b>\$ 61,029</b>	<b>\$ 51,731</b>	18.0%
<b>Net earnings (GAAP)</b>	<b>\$ 36,956</b>	<b>\$ 32,690</b>	13.0%
Portfolio Optimization Plan costs, before tax	3,323	1,211	
Tax impact of Portfolio Optimization Plan costs <sup>(1)</sup>	649	(17)	
<b>Adjusted net earnings</b>	<b>\$ 40,928</b>	<b>\$ 33,884</b>	20.8%
<b>Diluted earnings per share (GAAP)</b>	<b>\$ 0.87</b>	<b>\$ 0.77</b>	13.0%
Portfolio Optimization Plan costs, net of tax	0.09	0.03	
<b>Adjusted diluted earnings per share</b>	<b>\$ 0.96</b>	<b>\$ 0.80</b>	20.0%

*Note: Earnings per share calculations may not foot due to rounding differences.*

<sup>(1)</sup> 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

	Three Months Ended September 30, 2025			
	Total	Foreign Exchange Rates	Adjustments <sup>(1)</sup>	Local Currency Adjusted
<b>Revenue</b>				
Flavors & Extracts	(0.2%)	1.0%	N/A	(1.2%)
Color	9.9%	2.0%	N/A	7.9%
Asia Pacific	0.7%	1.0%	N/A	(0.3%)
<b>Total Revenue</b>	<b>5.0%</b>	<b>1.5%</b>	<b>N/A</b>	<b>3.5%</b>
<b>Operating Income</b>				
Flavors & Extracts	8.4%	0.6%	0.0%	7.8%
Color	26.6%	2.8%	0.0%	23.8%
Asia Pacific	2.5%	2.3%	0.0%	0.2%
Corporate & Other	21.8%	0.0%	13.9%	7.9%
<b>Total Operating Income</b>	<b>14.2%</b>	<b>2.4%</b>	<b>(3.9%)</b>	<b>15.7%</b>
<b>Diluted Earnings Per Share</b>	<b>13.0%</b>	<b>2.6%</b>	<b>(7.1%)</b>	<b>17.5%</b>
<b>Adjusted EBITDA</b>	<b>16.3%</b>	<b>2.0%</b>	<b>N/A</b>	<b>14.3%</b>

<sup>(1)</sup> Adjustments consist of Portfolio Optimization Plan costs.

# Non-GAAP Financial Measures

<b>Revenue</b>	<b>Three Months Ended September 30, 2025</b>		
	<b>Foreign Exchange</b>		
	<b>Total</b>	<b>Rates</b>	<b>Local Currency</b>
Flavors, Extracts, and Flavor Ingredients	6.1%	1.6%	4.5%
Agricultural Ingredients	(11.0%)	0.0%	(11.0%)
<b>Flavors &amp; Extracts Group</b>	<b>(0.2%)</b>	<b>1.0%</b>	<b>(1.2%)</b>
Food and Pharmaceutical	12.3%	1.7%	10.6%
Personal Care	3.3%	2.8%	0.5%
<b>Color Group</b>	<b>9.9%</b>	<b>2.0%</b>	<b>7.9%</b>
<b>Asia Pacific</b>	<b>0.7%</b>	<b>1.0%</b>	<b>(0.3%)</b>
<b>Total revenue</b>	<b>5.0%</b>	<b>1.5%</b>	<b>3.5%</b>

# Non-GAAP Financial Measures

## Results by Segment

<u>Operating Income</u>	Three Months Ended September 30,					
			Adjusted			
	<u>2025</u>	<u>Adjustments<sup>(1)</sup></u>	<u>2025</u>	<u>2024</u>	<u>Adjustments<sup>(1)</sup></u>	<u>2024</u>
Flavors & Extracts	\$ 28,038	\$ -	\$ 28,038	\$ 25,862	\$ -	\$ 25,862
Color	37,734	-	37,734	29,806	-	29,806
Asia Pacific	9,541	-	9,541	9,307	-	9,307
Corporate & Other	(17,607)	3,323	(14,284)	(14,455)	1,211	(13,244)
Consolidated	<u>\$ 57,706</u>	<u>\$ 3,323</u>	<u>\$ 61,029</u>	<u>\$ 50,520</u>	<u>\$ 1,211</u>	<u>\$ 51,731</u>

<sup>(1)</sup> Adjustments consist of Portfolio Optimization Plan costs.

# Non-GAAP Financial Measures

## Flavors & Extracts Group

	<u>Three Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
<b>Operating Income (GAAP)</b>	\$ 28,038	\$ 25,862
Depreciation and amortization	7,736	7,576
Share-based compensation expense	51	-
<b>Adjusted EBITDA</b>	<u>\$ 35,825</u>	<u>\$ 33,438</u>
 <b>Segment Revenue</b>	 \$ 202,970	 \$ 203,279
 <b>Operating Income Margin (GAAP)</b>	 13.8%	 12.7%
<b>Adjusted EBITDA Margin</b>	17.7%	16.4%

# Non-GAAP Financial Measures

Color Group	Three Months Ended September 30,	
	2025	2024
<b>Operating Income (GAAP)</b>	\$ 37,734	\$ 29,806
Depreciation and amortization	6,249	6,236
Share-based compensation expense	69	-
<b>Adjusted EBITDA</b>	<b>\$ 44,052</b>	<b>\$ 36,042</b>
 <b>Segment Revenue</b>	 \$ 178,156	 \$ 162,080
 <b>Operating Income Margin (GAAP)</b>	 21.2%	 18.4%
 <b>Adjusted EBITDA Margin</b>	 24.7%	 22.2%

# Non-GAAP Financial Measures

## Asia Pacific Group

	<u>Three Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
<b>Operating Income (GAAP)</b>	\$ 9,541	\$ 9,307
Depreciation and amortization	604	623
Share-based compensation expense	22	-
<b>Adjusted EBITDA</b>	<u>\$ 10,167</u>	<u>\$ 9,930</u>
 <b>Segment Revenue</b>	 \$ 42,082	 \$ 41,778
 <b>Operating Income Margin (GAAP)</b>	 22.7%	 22.3%
<b>Adjusted EBITDA Margin</b>	24.2%	23.8%

# Non-GAAP Financial Measures

	Three Months Ended September 30,		
	2025	2024	% Change
<b>Operating Income (GAAP)</b>			
Depreciation and amortization	\$ 15,556	\$ 15,460	
Share-based compensation expense	3,945	2,069	
Portfolio Optimization Plan costs, before tax	3,323	1,211	
<b>Adjusted EBITDA</b>	<u>\$ 80,530</u>	<u>\$ 69,260</u>	<u>16.3%</u>
<b>Total Revenue</b>	\$ 412,109	\$ 392,613	
<b>Operating Income Margin (GAAP)</b>	14.0%	12.9%	
<b>Adjusted EBITDA Margin</b>	19.5%	17.6%	

# Non-GAAP Financial Measures

	<b>Trailing Twelve Months</b> <b>Ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Debt</b>		
Short-term borrowings	\$ 777	\$ 17,811
Long-term debt	711,177	625,627
Credit Agreement adjustments <sup>(1)</sup>	<u>(27,992)</u>	<u>(22,633)</u>
<b>Net Debt</b>	<u><u>\$ 683,962</u></u>	<u><u>\$ 620,805</u></u>
<b>Operating income (GAAP)</b>	\$ 210,938	\$ 157,646
Depreciation and amortization	61,034	59,645
Share-based compensation expense	13,688	8,628
Portfolio Optimization Plan costs, before tax	10,382	33,616
Other non-operating gains <sup>(2)</sup>	<u>(495)</u>	<u>(998)</u>
<b>Credit Adjusted EBITDA</b>	<u><u>\$ 295,547</u></u>	<u><u>\$ 258,537</u></u>
<b>Net Debt to Credit Adjusted EBITDA</b>	2.3x	2.4x

<sup>(1)</sup> Adjustments include cash and cash equivalents, as described in the Company's Fourth Amended and Restated Credit Agreement (Credit Agreement), and certain letters of credit and hedge contracts.

<sup>(2)</sup> Adjustments consist of certain financing transaction costs, certain non-financing interest items, and gains and losses related to certain non-cash, non-operating, and/or non-recurring items as described in the Credit Agreement.