

PRESS RELEASE

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Corbion Strategy Update: Advance 2025

During its Capital Markets Day for analysts and investors in Amsterdam today, Corbion management will present its strategy for the period 2020-2025: Advance 2025. As our portfolio is uniquely aligned with global market trends, the strategy builds on Corbion's fundamentals and strengths by bringing further focus to the business portfolio. This will be achieved by increased investments in key growth areas like natural food preservation and lactic acid, while at the same time reducing the breadth of our business portfolio. With our purpose 'Championing preservation in all its forms: preserving food and food production, health, and the planet', sustainability will become even more important in all our decision-making processes.

Olivier Rigaud, CEO of Corbion, comments: "In the past years, Corbion has built a solid foundation. This strategy builds on those foundations in an evolutionary way.

In food, Corbion has developed increasingly from an ingredients business into a solutions business. We plan to expand on this solutions model with natural food preservation and functional systems as our core capabilities, enabling us to accelerate growth in close adjacencies.

In our lactic acid business, we aim to capitalize on our market and technology leadership. To further strengthen this leadership position in an attractive growth market, we have decided to build a new lactic acid plant at the existing Corbion site in Rayong Province in Thailand. As PLA is developing better than expected, the urgency behind expanding our lactic acid production capacity has only increased.

In our Incubator, where we develop early stage initiatives, we plan to bring omega-3 DHA to profitability in 2022, while we stay committed to investing in initiatives with a longer time horizon.

Some 17% of our total sales will be classified as non-core. For several non-core activities such as our frozen dough business and our FDCA initiative, we will look for exit scenarios. For others, such as our emulsifiers business, we will manage for value. By thus bringing more focus to the portfolio we believe we can accelerate growth of the company.

At Corbion, sustainability is at the heart of what we do. We are very well positioned to benefit from the worldwide drive for more sustainable products and solutions. We have aligned our Advance 2025 strategy to the United Nations Sustainable Developments Goals (SDGs) with SDG 2 *Zero hunger*, SDG 3 *Good health and well-being*, and SDG 12 *Responsible consumption and production* being the goals where Corbion can have the most impact."

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Our business and reporting structure will have three business units from now on:

Sustainable Food Solutions: Supported by an industry that is rapidly moving towards clean label/natural food solutions we will leverage our strengths in preservation. Sustainable Food Solutions will consist of three segments: Preservation, Functional systems, and Single Ingredients. In the Preservation segment, we intend to expand our (natural) preservation solutions from meat into other markets. In the Functional systems segment, we will focus on natural/clean label solutions in bakery and other markets. Both segments could be supported by bolt-on M&A. Emulsifiers will have a declining strategic fit going forward and will be managed for value. Other non-core activities such as co-packing blending, and frozen dough will be exited.

Lactic Acid & Specialties: We will capitalize on our global product leadership in lactic acid and lactic acid derivatives. Corbion leads the lactic acid market in technology, production capacity, geographic coverage and breadth of portfolio. Lactic Acid & Specialties will consist of 5 segments: Lactic acid (including for PLA), lactates, lactate esters, biopolymers and other. Lactic acid serving the PLA market is already driving substantial investments in our lactic acid infrastructure. By 2023 we expect to open a new 125kTpa lactic acid plant in Thailand, operating at the highest sustainability standards and lowest costs. The additional lactic acid capacity also shows our commitment to continue to support future growth of the Total Corbion PLA joint venture.

Incubator: We will develop larger, early-stage investments in the Incubator. Our three main product categories are: Algae-based Omega-3, starting with fish feed applications, algae proteins (in cooperation with Nestlé), and our new co-polymer platform. This platform is a lactic acid-based controlled-release co-polymer technology, expanding on our (medical) polymer expertise.

We will continue to invest >4% of sales in R&D to support our growth. In the coming years R&D resources will be intensified in Sustainable Food Solutions and Lactic Acid & Specialties. Next to the Omega-3 initiative, annual EBITDA investments for other initiatives in the Incubator are expected to be in the range of 0.5% to 1.5% of core net sales.

Financial guidance 2020-2025

Financial targets 2020-2025 (for core activities)

- Annual organic net sales growth 4-7%
- EBITDA margin >17% from 2025 onwards (2019: 15.1%)

Underlying ambitions

- Organic net sales growth Sustainable Food Solutions ~3%
- Organic net sales growth Lactic Acid & Specialties ~7%
- Algae-based Omega-3 DHA business EBITDA break-even in 2022
- EBITDA investments of other Incubator initiatives: up to ~0.5-1.5% of Corbion core sales
- Capex: Recurring capex of € 60-70 million per annum. Additional average capex in 2020-2022: € 55 million p.a. for new lactic acid plant in Thailand
- Net Debt/EBITDA: Target is 2.0x over the cycle. Estimated to peak at ~2.5x during construction period of new lactic acid plant (2020-2023)

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- Dividend per share: progressive dividend @ 0.56/share (to be annually reviewed; subject to market outlook, financial position, additional large investments, M&A, and divestments)

Financial guidance 2020 (for core activities)

- Organic net sales growth in 4-7% range
- EBITDA margin is expected to be stable vs FY19 at ~15%

This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

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Background information:

Corbion is the global market leader in lactic acid, lactic acid derivatives, and a leading company in emulsifiers, functional enzyme blends, minerals, vitamins and algae ingredients. We develop sustainable ingredient solutions to improve the quality of life for people today and for future generations. For over 100 years, we have been uncompromising in our commitment to safety, quality, innovation and performance. Drawing on our deep application and product knowledge, we work side-by-side with customers to make our cutting-edge technologies work for them. Our solutions help differentiate products in markets such as food, home & personal care, animal nutrition, pharmaceuticals, medical devices, and bioplastics. In 2019, Corbion generated annual sales of € 976.4 million and had a workforce of 2,138 FTE. Corbion is listed on Euronext Amsterdam. For more information: www.corbion.com