



*We bring nature to your
flavour*

Axxence and Natural Advantage Join Forces to Create a Global Leader in Natural Aroma Ingredients

Emmerich (Germany) and Oakdale, Louisiana (USA), 9 October 2024 – Axxence Aromatic GmbH (Axxence), a leading European manufacturer of natural aroma ingredients, and Natural Advantage, a prominent US manufacturer specializing in natural and kosher flavor ingredients, today announced that they have signed a definitive agreement to combine their businesses. This strategic move aligns with Axxence's growth strategy to expand its market reach and product offering and will create a global leader in the natural aroma ingredients sector, serving the food, beverage, and fragrance industries worldwide. The newly-formed group will capitalize on both companies' formidable market presence and shared dedication to quality and innovation.

"This merger marks a significant milestone in both companies' history," states Ron Honing, CEO of Axxence. "By combining our competencies and resources, we not only enhance our geographic reach and customer base but also amplify our capability to produce complex natural aroma ingredients with guaranteed traceability, exceptional product quality, and expedited delivery. Together, Axxence and Natural Advantage are perfectly positioned to meet the growing demand for natural and sustainable products in our industry. We look forward to welcoming the talented team from Natural Advantage and working together to drive innovation and exceptional customer service standards."

Echoing this sentiment, Carol Callahan, founder and CEO of Natural Advantage, adds, "We are very pleased to be able to join forces with Axxence. This business combination not only provides exciting opportunities for our employees and customers but also ensures the continued success and growth of the business we have built. We are confident that Axxence's leadership and expertise will take Natural Advantage to new heights, and we are pleased to entrust the future of our company to such capable hands."

Established in 1986, Axxence is renowned for its pioneering role in the European market, being one of the first to offer naturally derived aroma ingredients. A decade later, Natural Advantage emerged in 1996, mirroring this innovative approach in the United States. This parallel evolution has positioned the two companies as ideal complements in their field.

Combining both businesses will significantly strengthen Axxence's position as a leading manufacturer and supplier of natural aroma ingredients to the global flavor and fragrance industry. By expanding its presence in the US market and adding a local production, Axxence will enhance its distribution network and gain access to new markets, including Latin America. The combined group will leverage over 70 years of market experience to strengthen relationships with major customers. Natural Advantage will contribute approximately 140 accounts to Axxence's client portfolio, unlocking cross-selling opportunities and broadening the customer base.

Customers and business partners will benefit from a diversified portfolio of over 475 products and compounds. The expanded product range, coupled with an enhanced sales network, will provide customers with high-quality service, faster lead times, and improved local market expertise. Axxence's



*We bring nature to your
flavour*

stellar reputation for high-quality standards, strict compliance, and superior quality will extend across all products in the combined portfolio.

The union of two pioneers with a complementary entrepreneurial mindset will furthermore accelerate the joint group's ability to anticipate trends and meet the rising demand for natural products in the highly attractive flavors and fragrances (F&F) market. The F&F market is characterized by steady and resilient demand, driven by its broad application across various industries, including food and beverages, personal care, cosmetics, and household products. In this context, Axxence and Natural Advantage's collaboration in Research and Development (R&D) will foster future innovation, leading to the development of new and improved products with high commercial potential. In addition to its longstanding R&D experience, Natural Advantage will contribute state-of-the-art capabilities and long years of operating experience.

The Group will generate approximately €70.0 million in combined revenues, operating 3 production sites with its natural products and compounds distributed across 45 countries.

Under the terms of the agreement, Axxence will integrate some of Natural Advantage's production assets in Oakdale, Louisiana (USA) and assume ownership of all inventory and intellectual property rights. The newly-formed entity will continue to operate in Natural Advantage's existing facilities. Upon completion of the transaction, all employees of Natural Advantage will be offered positions, ensuring continuity and stability. As part of the transition, owners Carol Callahan and Brian Byrne will retire, transferring leadership to Axxence's experienced management.

The transaction, which is subject to customary closing conditions, is expected to close in mid-October. The purchase price remains undisclosed by mutual agreement.

About Axxence

Axxence is a leading manufacturer and supplier of natural flavor ingredients to the global flavor and fragrance industry. The company currently has around 135 employees. Its more than 250 natural flavor product solutions are sold in over 35 countries to more than 240 customers, including the largest companies in the flavor and fragrance industry. Axxence is headquartered in Emmerich, Germany, and operates two production facilities in Slovakia. Since 2021, the company has been majority-owned by the capiton Group, based in Berlin.

About Natural Advantage

Natural Advantage, LLC was formed over twenty-eight years ago to supply the growing demand for natural food and flavor ingredients. Natural Advantage employ a wide range of multi-disciplined people who are dedicated to high quality products and services, customer satisfaction and creating an outstanding value for their customers.



*We bring nature to your
flavour*

Media Contact Axxence

German Media

FTI Consulting

Julian Wirth

Julian.Wirth@fticonsulting.com

+49 171 5574 931

U.S. Media

FTI Consulting

Kyla MacLennan

Kyla.MacLennan@fticonsulting.com

+1 240.968.6242