



## dsm-firmenich to separate out Animal Nutrition & Health business from the Group

- Full focus on nutrition, health, and beauty to enable dsm-firmenich to better drive superior innovation-led growth. Separating out Animal Nutrition & Health from the Group to minimize dsm-firmenich's exposure to vitamins earnings volatility and reduce capital intensity in line with its long-term strategy
- Full potential of the Animal Nutrition & Health business would be best realized through a different ownership structure. Animal Nutrition & Health would strengthen its distinctive position as a global leader with its unique and integrated combination of vitamins, premixes, performance solutions and precision nutrition

Kaiseraugst (Switzerland), Heerlen (Netherlands), February 15, 2024

dsm-firmenich (the "Company" or the "Group"), innovators in nutrition, health, and beauty, announces today the initiation of a process to carve-out and separate out the Animal Nutrition & Health ("ANH") business from the Group. ANH is driven by different dynamics to the rest of the Group, which has become even more apparent with the unprecedented challenges in the vitamins market. The Company believes that the full potential of the ANH business could be best realized through a different ownership structure for which all potential separation options will be considered. The Company would expect to be in a position to separate the business in the course of 2025.

**Dimitri de Vreeze, CEO of dsm-firmenich, commented:** *"Our purpose at dsm-firmenich is to bring Progress to Life, as we boost innovation in premium, high-growth and resilient segments. ANH is a fantastic business that over the years we have built to be a true leader in the industry. This is a difficult moment, but we strongly believe that a separation would be better for both businesses and their employees, and ultimately generate better value for all our stakeholders."*

A separation would enable dsm-firmenich to strengthen its position as a world-leader in nutrition, health, and beauty. By fully focusing on Perfumery & Beauty (P&B); Taste, Texture & Health (TTH); and Health, Nutrition & Care (HNC), the Company can further develop its



complementary world-class scientific research, technologies and manufacturing excellence. Full focus on these businesses is expected to enhance their commercial potential and synergies, supporting an attractive and consistent growth outlook alongside robust margins.

The perimeter of the ANH business expected to be separated out is being reviewed as part of this process. Given Bovaer's critical role in reducing emissions across the dairy industry, an important segment for TTH, and Veramaris' significant potential in dietary supplements, it is expected that both businesses would remain part of the Group.

Ivo Lansbergen will continue to lead the ANH business. He joined in 1997 and led ANH since 2019.

**Ivo Lansbergen, President, Animal Nutrition & Health, commented:** *"We have an amazing team within ANH that has built a global leader with scale, a unique portfolio and unrivalled innovation capabilities to help our customers tackle some of the most challenging food security issues and with a strategy that is strongly focused on Making Animal Farming Sustainable. It is an exciting prospect for our world class team to pursue our ANH strategy."*

ANH is a world leading business with the most complete ingredients portfolio ideally positioned to support a growing population through more sustainable animal farming. Headquartered in Kaiseraugst, last year ANH delivered more than €3 billion in revenues with approximately 6,000 employees. It helps its customers to deliver healthy animal proteins efficiently and sustainably whilst harnessing the power of data to make animal farming practices more sustainable, productive, and transparent. The business has a unique premix network across the world that helps deliver global products with local solutions and benefits from precision services capability.

The global vitamins market has experienced a prolonged downturn which has been driven primarily by unprecedented cyclical pressure on vitamin prices in the animal markets. This has been partly mitigated by strong outcomes from the performance solutions business which provides important tools for farmers to deliver feed efficiency yield management. By separating ANH, dsm-firmenich's exposure to future vitamin earnings volatility would be reduced.

As part of the vitamin transformation program announced in June 2023, the Company continues to make significant progress on its cost reduction plan including plant closures, route-to-market simplification, and optimized service levels. The Company remains confident in realizing a contribution of €100 million in adjusted EBITDA in 2024 and the full benefit of €200 million in 2025.

During the process, dsm-firmenich remains committed to the ANH business, its market-leading team and to providing excellent service to customers as the business transitions to a new ownership structure to deliver its full potential.



## Important disclaimers and forward-looking statements

**This announcement is a statement of intention and subject to satisfaction of customary conditions, including consultation with works councils and employee representatives (as required), in all relevant geographies.**

*This press release contains forward-looking statements with respect to dsm-firmenich's future (financial) performance and position. Such statements are based on current expectations, estimates and projections of dsm-firmenich and information currently available to the company. dsm-firmenich cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause actual performance and position to differ materially from these statements. Also, for a variety of reasons including many factors outside the control of dsm-firmenich, there can be no guarantee that the proposed separation of ANH will be decided and completed within the expected time frame or at all. Nor can there be any guarantee that dsm-firmenich or a separate ANH business will be able to realize any of the potential strategic benefits, synergies or opportunities or any guarantee that shareholders will achieve any particular level of return in relation thereto. dsm-firmenich has no obligation to update the statements contained in this press release, unless required by law. The English language version of this press release prevails over other language versions.*

## Note to editors

### About dsm-firmenich:

As innovators in nutrition, health, and beauty, dsm-firmenich reinvents, manufactures, and combines vital nutrients, flavors, and fragrances for the world's growing population to thrive. With our comprehensive range of solutions, with natural and renewable ingredients and renowned science and technology capabilities, we work to create what is essential for life, desirable for consumers, and more sustainable for the planet. dsm-firmenich is a Swiss-Dutch company, listed on the Euronext Amsterdam, with operations in almost 60 countries and revenues of more than €12 billion. With a diverse, worldwide team of nearly 30,000 employees, we bring progress to life every day, everywhere, for billions of people.

[www.dsm-firmenich.com](http://www.dsm-firmenich.com)

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