

A close-up photograph of a person's hand holding several small, light-brown, cylindrical feed pellets. The hand is positioned in the lower-left foreground, offering the feed to a group of brown chickens. The chickens are clustered around the hand, with their heads and red combs clearly visible. The background is slightly blurred, showing more chickens and the structure of a farm enclosure. The overall scene is brightly lit, suggesting an outdoor or well-lit indoor environment.

Acquisition of dsm-firmenich's share of the Feed Enzyme Alliance

February 11, 2025

novonosis

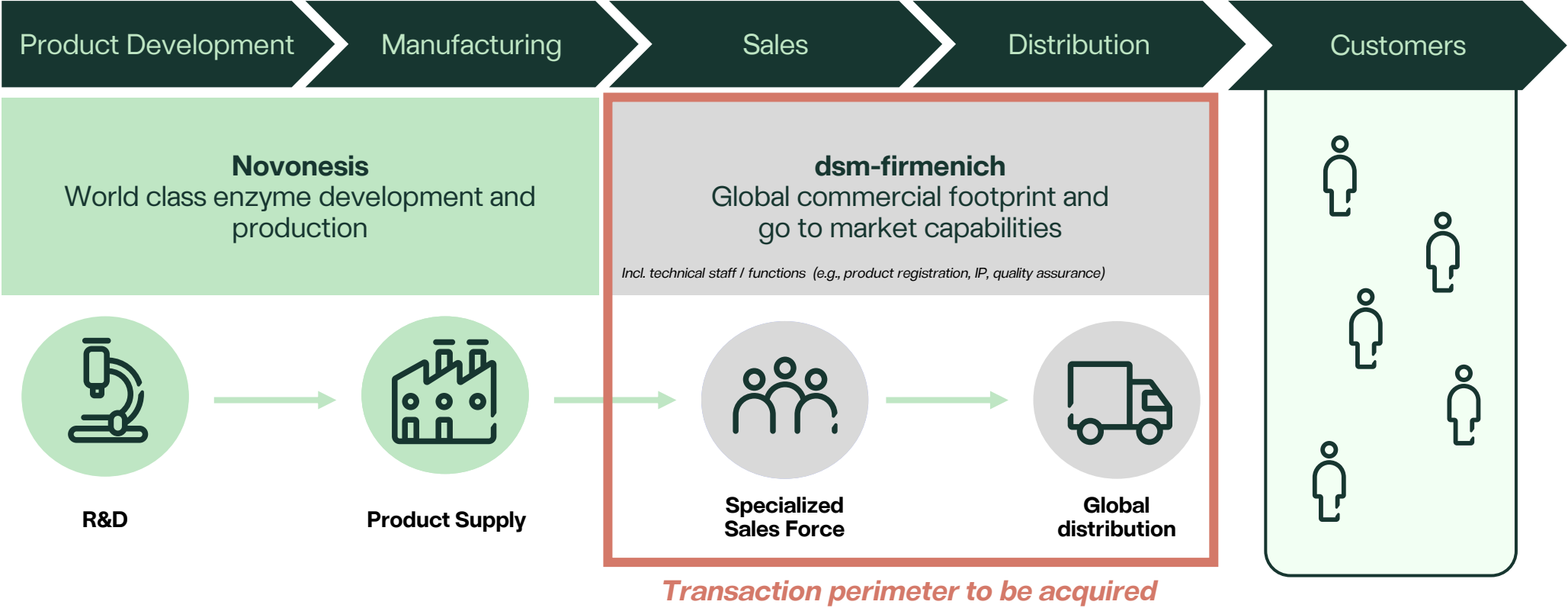
Forward-looking statement

Disclaimer

This announcement includes forward-looking statements. Such forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the control of the combined group and all of which are based on the combined group's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "aim", "annualized", "anticipate", "assess", "assume", "believe", "continue", "could", "estimate", "expect", "goal", "hope", "intend", "may", "objective", "plan", "position", "potential", "predict", "project", "risk", "seek", "should", "target", "will" or "would" or the highlights or the negatives thereof, other variations thereon or comparable terminology. The forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and other documents regarding the combination and include statements that reflect the combined group's intentions, beliefs, or current expectations and projections about their respective future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, targets, strategies, and opportunities, as well as the markets in which they respectively operate. The forward-looking statements and other statements contained in this announcement regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the combined group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Forward-looking statements in this announcement speak only as of the date of this announcement. The information contained in this announcement is subject to change without notice, and, except as required by applicable laws and regulations, the combined group expressly disclaims any obligation or undertaking to update or revise the forward-looking statements contained in this announcement to reflect any change in its expectations or any change in events, conditions, or circumstances on which such statements are based, and nor does it intend to. Investors should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement. As a result of these risks, uncertainties, and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.

Legacy Feed Enzyme Alliance has delivered sustainable value to the animal protein and feed industries

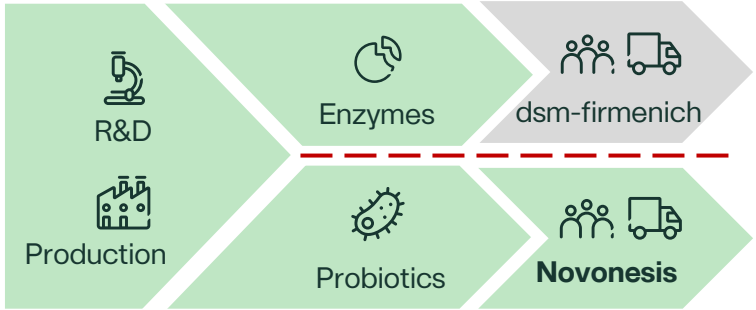
- Most complete and innovative feed and gut health enzyme portfolio built over >25 years
- Clear industry enzyme-innovator over decades supported by leading scientific insights and development capabilities



New setup unlocks the full value of Novonesis' animal biosolutions

Old setup: Lacking full commercial access

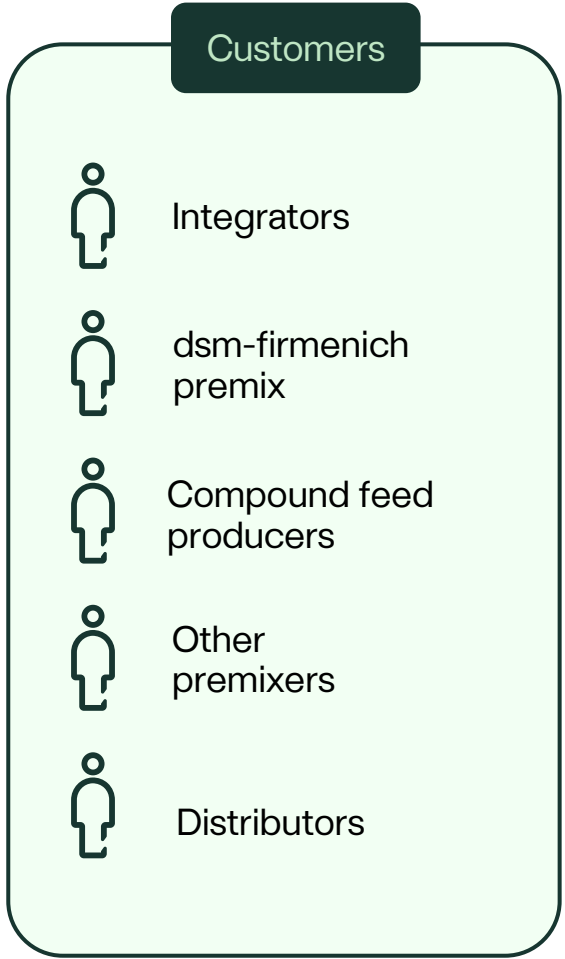
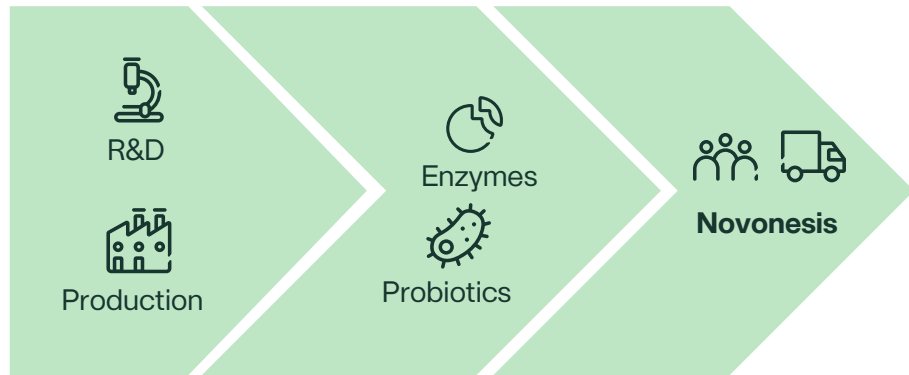
- Leading R&D, application and production of both enzymes and probiotics
- Best-in-class enzymes and probiotics without ability to go to market across all solutions
- Strong commercial presence in probiotics only



New setup: Driving the complete value chain

- Ability to combine tailored, best-in class enzymes and probiotics
- Direct customer access across regions in a consolidated go-to-market model
- Freedom to operate across all sales channels
- Translating deeper customer insights into further innovation

Combined portfolio and direct customer access



Direct customer access enables accelerated growth and innovation with reduced complexity

Driving the complete value chain

- Increased ability to directly service existing and new customers
- Stronger insights to core markets and technologies driving further innovation

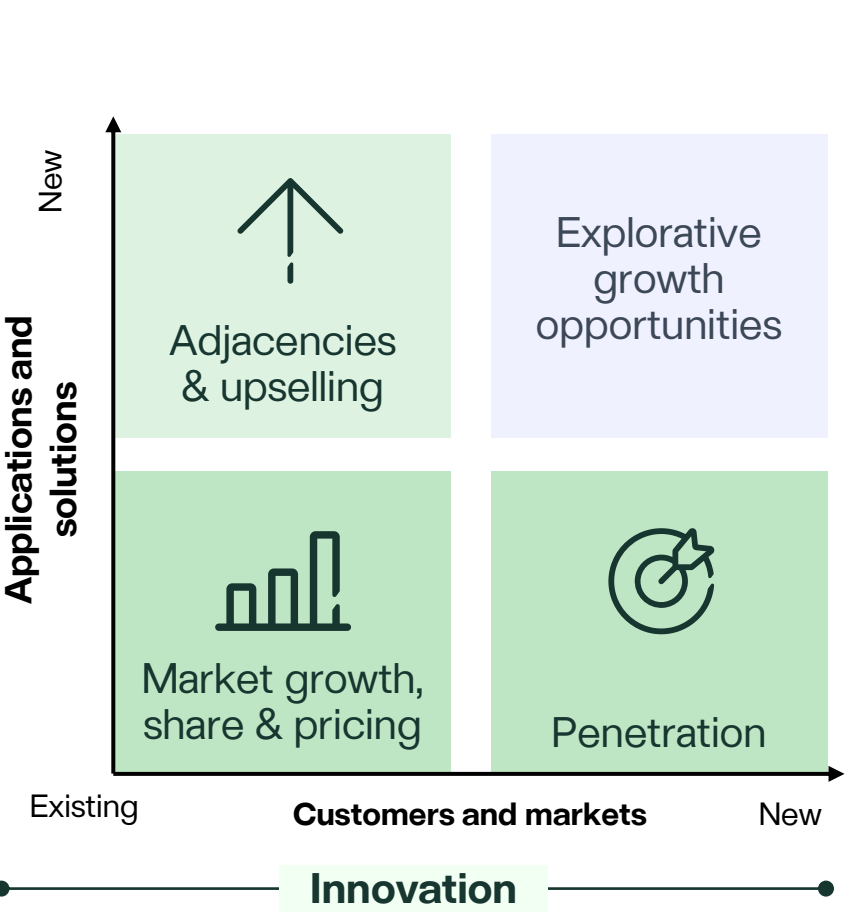
Leading position in Animal biosolutions

- One consolidated go-to market model
- Broader offering of market leading biosolutions combining enzymes and probiotics

Attractive growth profile, further enhanced by revenue synergies

- Accelerated growth potential
- Growth synergies through cross-selling and up-selling

Strategically aligned to unlock deeper customer relationships in a core business with accelerating growth potential



Markets and solutions

	Core	Adjacencies	Explorative
	<i>Biggest contributor of absolute growth</i>	<i>Biggest contributor of relative growth</i>	<i>Foundation for new sources of long-term growth</i>
Leveraging Toolbox & capabilities	✓	✓	✓
Scale in Biosolutions	✓	✓	✓
Customer understanding & relationships	✓	✓	✓

Strong financial profile with attractive growth and profitability

<i>(12 months, EUR)</i>	Incremental contribution to Novonesis	Key Highlights
Revenue	Close to 3%	✓ Acquired growth contribution in year 1
	Growth accretion	✓ Low-single-digit accretion to Novonesis' animal biosolutions growth above mid-single-digit market growth in the mid-term
Adj. EBITDA accretion	~70m year 1	✓ Highly attractive and accretive to year one Group adj. EBITDA margin of ~0.5pp; further enhanced accretion in the years to come
Adj. EPS (excl. amortization)	++	✓ Low-single digit accretion in first full year post closing; Mid-single-digit in year 3
Free cashflow	++	<ul style="list-style-type: none"> ✓ Highly attractive cash conversion ✓ Very limited incremental capital expenditure requirements

Transaction overview

- EUR 1.5 bn all cash purchase price for dsm-firmenich's share of the Feed Enzyme Alliance
- 100% debt financed (fully committed)
- The expected strong cash generation will allow for deleveraging to the current target range of 1.3-1.7x NIBD/EBITDA within the next 2 years
- No impact on Novonesis' expected dividend payouts
- Novonesis will continue the long-term supply relationship with dsm-firmenich for their premix business
- Subject to regulatory approvals, the transaction is expected to close in the course of 2025



Summary

- Driving the complete value chain
- Leading position in Animal biosolutions
- Attractive growth potential and strong earnings profile



Q&A

Complete and synergistic portfolio of enzymes and probiotics in an attractive and growing animal biosolution market

Products

ENZYMES

Phytases increase the availability of naturally occurring phosphorus in animal diets to maximize animal growth and bone strength



Carbohydrases help animals extract more energy out of the feed by breaking down complex carbohydrates into simpler sugars



Proteases improve the digestibility of protein in diets to enhance nutritional efficiency



Gut health enzymes remove bacterial cell debris from the animal's gut improving health and nutritional uptake



PROBIOTICS

Direct Fed Microbials: Live micro-organisms that deliver performance and health benefits to animals, incl. reduced antibiotics use



Silage inoculants: Enhance silage quality while inhibiting the growth of yeast and mold



Benefits & species

- Maximize feed utilization
- Optimize feed costs
- Reduce environmental impact
- Improve animal health and welfare

